

STATE OF MICHIGAN
DEPARTMENT OF MANAGEMENT AND BUDGET
PURCHASING OPERATIONS
P.O. BOX 30026, LANSING, MI 48909
OR
530 W. ALLEGAN, LANSING, MI 48933

November 12, 2008

CHANGE NOTICE NO. 1
TO
CONTRACT NO. 071B8200193
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF CONTRACTOR Sprint Solutions Inc. 2001 Edmund Halley Drive Reston, VA 20191 Attn: Law Dept. – Public Sector Name and Address for Sprint Invoice Remittance: Sprint P.O. Box 4181 Carol Stream, IL 60197-4181 Email: Paul.Tisch@sprint.com	TELEPHONE Paul Tisch (248) 866-1532
	CONTRACTOR NUMBER/MAIL CODE
	BUYER/CA (517) 335-4804 Douglas S. Collier
Contract Administrator: STATEWIDE WIRELESS DATA SERVICES	
CONTRACT PERIOD: From: September 4, 2008 To: September 3, 2010	
TERMS N/A	SHIPMENT N/A
F.O.B. N/A	SHIPPED FROM N/A
MINIMUM DELIVERY REQUIREMENTS N/A	
MISCELLANEOUS INFORMATION:	

NATURE OF CHANGE(S):

Paul Knickelbein is replaced by the person noted below:

Issue	Point of Contact
Billing	Charlie Osterman, Wireless Field Support (WFS)
248-893-8490 (desk)	
517-672-1073 (mobile)	
Charles.M.Osterman@Sprint.com	

AUTHORITY/REASON(S):

Per Vendor request.

ESTIMATED CONTRACT VALUE REMAINS: \$4,200,000.00

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MISCELLANEOUS INFORMATION: The terms and conditions of this Contract are those of ITB #07117200264, this Contract Agreement and the vendor's quote. In the event of any conflicts between the specifications, and terms and conditions, indicated by the State and those indicated by the vendor, those of the State take precedence. Estimated Contract Value: \$4,200,000.00		

FOR THE CONTRACTOR:

Sprint Solutions Inc.
Firm Name

Authorized Agent Signature
Rita J. Fistere,
Director Contract Negotiations and
Management

Authorized Agent (Print or Type)

Date

FOR THE STATE:

Signature
Greg Faremouth, Acting Director

Name/Title
IT Division

Division

Date



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Article 1 – Statement of Work (SOW)

1.0 Project Identification

1.001 PROJECT REQUEST

The State of Michigan (State), Department of Management & Budget (MDMB) and Michigan Department of Information Technology (MDIT), establishes this Contract to provide Cellular Voice, Voice with Push-to-Talk and Data services as defined herein. The Contract is also designed to take allow for MIDEAL and associated agencies to utilize the pricing, products and services available and to apply for E Rate funding available through the Universal Service Funds Program for all Michigan educational facilities, see <http://www.usac.org/sl/#571590000625733>.

Throughout the term of the Contract, it is likely that new price offerings will become available. At the State's option these revisions will be incorporated through Contract amendment (Change Notice), to allow for greater cost savings.

Cellular voice service includes wireless voice transmission. Cellular voice and Push-to-Talk (PTT) service includes wireless voice transmission with two-way PTT functionality. Data service includes wireless data transmission for e-mail and Internet access. Equipment includes, but is not limited to, all equipment necessary to use the cellular voice and data, (e.g., handsets, handheld devices, wireless PC cards, Blackberry-like devices, PDA devices, car kits, hands free kits, spare batteries, chargers, cases, belt clips, etc.).

The State has defined the requested services in the following service packages:

- a. Packages for standard voice and optional data offerings associated with cellular service, primary use being person-to-person voice communication. This category also includes packages for Blackberry and Blackberry-like devices.
- b. Packages for standard cellular voice service with Push-To-Talk (PTT) and optional data services.
- c. Packages for wireless PC data cards and, associated service, and data services used in conjunction with standard voice and data packages listed above.

Scope of Work and Deliverables

Sprint will provide the following to the State of Michigan and its associated agencies:

- a. Cellular voice service and equipment with optional data service
- b. Cellular voice with Push-To-Talk (PTT) service and equipment with optional data service
- c. Cellular PC data cards and service
- d. Web-based catalog and ordering
- e. Billing with electronic detail for analysis and management
- f. Customer service and support
- g. Inventory and usage reporting and optional consolidated billing
- h. Training
- i. Transition services (as required)

A more complete description of the supplies and/or services included in this Contract is provided in Section 1.1, Work and Deliverables and Section 1.201, Sprint Roles and Responsibilities.

1.002 BACKGROUND

This Contract is designed to contribute to ensuring that the state's communications requirements are met, and that all voice and data networking components and services necessary to perform the business functions of state government agencies are available to each department.



The cellular voice and data services will, in general, be administered at the State Agency level. Overall program coordination and contract monitoring will be provided by the MDIT Telecommunications Division.

The state offers no guarantee of the number of subscribers, or usage volumes resulting from this Contract. The State reserves the right to procure equipment and services from any of the Contracts executed for these purposes at the discretion of the State. Sprint is expected to conform to State and MDIT policies, procedures, and standards. Sprint shall comply with all security standards and the security access requirements for individual State facilities.

The links below provide information on State of Michigan IT strategic plans, current environment, policies, and standards.

Strategic Plan:

<http://www.michigan.gov/dit/0,1607,7-139-30637-135173--,00.html>

Enterprise Policies, Procedures and Standards:

<http://www.michigan.gov/dit/0,1607,7-139-34305---,00.html>

1.003 OUT OF SCOPE

The following are outside the scope of this Contract:

1. Verification and validation of business requirements
2. Maintenance or repair of State telecommunications infrastructure

1.004 ENVIRONMENT

Information regarding the State's information technology architecture and standards for hardware, database applications, network hardware and monitoring tools, identity management/authentication and development tools may be found at: <http://www.michigan.gov/dit/0,1607,7-139-34305---,00.html>.

1.1 WORK AND DELIVERABLES

Sprint will provide the equipment, services, customer support/service, and otherwise do all things necessary for or incidental to the performance of work, as set forth below.

General Service Requirements

Sprint acknowledges the following requirements, and agrees to provide the goods and services necessary to meet the following:

1. Sprint shall adhere to all local, state and federal regulatory agency requirements.
2. Sprint shall maintain service and quality levels at or above industry standards so as to minimize impaired services, low transmission, transmission interference, and similar deficiencies.
3. Sprint shall not attempt to hold the state responsible for personal cellular telephone account charges incurred, or any actions resulting from improper or illegal use of cellular equipment / accessories acquired under this Contract, or on cellular service accounts established for personal use, as opposed to accounts established as State business accounts.
4. For personal cellular and data accounts established under the employee savings option offered through this contract, employees shall be personally responsible for all charges incurred on their individual accounts.
5. Customers accessing service under this Contract for business purposes shall not be subject to any financial/credit application, nor be denied service of any nature.
6. No direct Sprint or Sprint-sponsored telemarketing or commercials will be allowed targeting cellular equipment or services to State of Michigan government (Executive Branch) business or employees



without the express approval of the contracting authority (DMB buyer and the contract administrator). Sprint will provide block and prevent such from occurring.

7. Sprint's wireless equipment complies with the following U.S. and non U.S. RF exposure regulations, standards, and guidelines:

- Federal Communications Commission, Code of Federal Regulations; 47 CFR part 2 sub-part J
- American National Standards Institute (ANSI)/Institute of Electrical and Electronics Engineers (IEEE). C95. 1-1992
- Institute of Electrical and Electronics Engineers (IEEE). C95. 1-1999 Edition
- International Commission on Non-Ionizing Radiation Protection (ICNIRP) 1998
- Ministry of Health (Canada). Safety Code 6. Limits of Human Exposure to Radiofrequency Electromagnetic Fields in the Frequency Range from 3 kHz to 300 GHz, 1999.
- Australian Communications Authority Radiocommunications (Electromagnetic Radiation - Human Exposure) Standard 2001
- ANATEL, Brasil Regulatory Authority, Resolution 256 (April 11, 2001) "additional requirements for SMR, cellular and PCS product certification."

8. Sprint will handle a major service disruption or a disaster causing an outage in the following manner:

Network Incident Management Team

Network teams leverage Sprint tools such as Priority Connect, Direct Talk units, (off-network unit-to-unit communications) GPS hand held units, camera phones, laptop wireless cards, and BlackBerry devices to aid in response communication, situation assessment and resource tracking. The teams also maintain a pool of Satellite phones as a contingency plan to use in restoration. Teams continue to create innovative response tools, such as the unique Satellite backhaul SatCOLTs (Cell on Light Truck) which enable restoration of service when a traditional T1 circuit is not available.

The Network IMT receives notification of an actual or potential situation which requires activation (hurricane, earthquake, regional power outage, other event where business as usual would not resolve the situation), establishes the Emergency Operations Center (EOC), performs an initial overall assessment, establishes monitoring bridge(s), coordinates between agencies impacted by the event, assigns tasks, gathers status information, and performs executive notifications at prescribed times.

Cellular Network Disaster Planning

In an effort to minimize service impact when a cell site is down, Sprint maintains a fleet of "Cell On Wheels" (COWs) devices, which are portable and self-contained cell sites. These COWs can be deployed to restore coverage from a damaged site or provide additional capacity in the immediate vicinity of an incident.

Information Technology Incident Management Team

The IT Incident Management Team (IT IMT) provides timely decision making processes in the declaration of a disaster to ensure proper decisions are made and communicated across the enterprise. The IT IMT team structure will minimize the disaster declaration time and potentially minimize the length of the event by quickly reacting to the event. The IT IMT is also responsible for maintaining and State of Michigan facilitating execution of the recovery plans in conjunction with Resource & Priority Management (RPM).

Information Technology Incident Command Centers

The IT IMT Command Center serves as a centralized arena to manage disaster related operations. Recovery personnel execute defined processes and procedures, communicate and provide resources to effectively assess and manage disaster events. The Incident Command Centers are geographically redundant.



IT Network Restoration Prioritization

Critical Applications supporting the internal and external client community have been prioritized based on application impact analysis to expedite and control the recovery process. Data required for recovery of operating systems, production libraries, and application systems are backed up regularly and placed in off-site storage.

Emergency Response Team

Sprint's ERT is an experienced, cross-functional group consisting of a dedicated, full-time core team and hundreds of reservists across the country providing wireless telecommunications equipment, infrastructure and personnel operations support to federal, state and local public safety, law enforcement, military agencies and Private Sector Organizations during declared emergencies, field training exercises, agency-specific events and National Special Security Events. The ERT fully supports high-volume, short-notice equipment needs of emergency and disaster personnel with its portable cellular sites, microwave facilities, and inventory of twenty thousand ruggedized iDEN handsets and 1200 CDMA handsets.

9. Sprint will provide Service Level Agreements for the following services:

- ◆ CPE Based IP VPN
- ◆ Dedicated Internet Services
- ◆ Dial Internet Services
- ◆ DSL
- ◆ L2TPV3 Based Services
- ◆ Managed Network Services (MNS)
- ◆ Managed Security Services (MSS)
- ◆ Network Based IP VPN
- ◆ Toll Free
- ◆ Wireless CDMA Voice and Data Services

Voice, Data and Push-To-Talk Coverage

Sprint will provide service area coverage maps semi-annually or as new coverage becomes available for the following three areas:

1. State of Michigan

2. National Coverage

3. International Coverage

4. Continuation of Service Coverage

Throughout the term of the contract, Sprint will provide the same or better level of coverage as that proposed and promised in their response to this solicitation.

5. Performance Testing Period

- a. Sprint will provide a 30-day performance testing period to test equipment and/or coverage, commencing at the later date of either service activation or equipment receipt.
- b. Sprint agrees during this performance testing period, that the subscriber may cancel service if coverage and/or service is not acceptable (e.g., consistently dropped calls, poor signal strength, call quality, or pages not received) and will incur no activation charges or termination penalties.
- c. Sprint agrees the State will incur standard service charges during this performance testing period.
- d. Sprint will provide a full refund for returned equipment within 30 days of purchase provided that the complete, undamaged phone(s)/device(s) with original receipt are provided. Additional Conditions:
 - ◆ Refunds based on sale price at time of purchase
 - ◆ The State must request service deactivation within 30 days
 - ◆ Activation and early termination fee are waived
 - ◆ The State must pay actual usage (service charge, taxes and Sprint fees)



6. Coverage Outages

- a. Sprint will notify the State of Michigan Program Manager and designated SOM contacts of any planned outages 15 days prior to scheduled maintenance.
- b. Sprint's Customer Notification System will be provided at no additional cost to the State of Michigan for those subscribed to the system, and will include impacted coverage areas and an estimated duration of the outage.
- c. The State may receive notifications via e-mail or text messages to wireless devices.
- d. Sprint shall pro-rate invoices, where coverage outage is 24 hours, a full day of service for each subscriber effected for each 24 hour period.
- e. If service is unavailable in a county as a result of an unplanned outage for more than one (1) hour, a full one day service credit shall be provided by Sprint for all effected subscribers in the county. Measurement shall be when State subscribers in a covered county, either roaming or direct service, report that service has been unavailable for more than one hour.
Sprint's billing systems does not have the ability to prorate invoices automatically for network outages. Sprint will review and address any credit request as a result of extended outages as described above in C and D to provide applicable credits.

Package Features

1. **Packages for Voice and Data Service** - Sprint will include the following features and services regardless of the phone or plan selected:
 - a. Owners manual
 - b. Voice mail
 - c. Caller ID
 - d. Message waiting indication
 - e. Three-way calling
 - f. Internal directory / contact list
 - g. Call waiting
 - h. Call forwarding to voicemail included at no added charge. Calls forwarded to other numbers will incur a per minute charge.
 - i. Call log including missed calls, dialed calls and received calls
 - j. Battery status
 - k. Indication of service (none, roaming, home). Sprint PCS handsets display a roaming indicator when roaming. Both Sprint PCS and iDEN handsets will indicate if no service is available
 - l. Detailed billing
 - m. No charge for incomplete calls, busy / no answers, or dropped calls. For dropped calls, a one-minute credit will be provided however, credits must be sought by the end user via the Customer Care Center (CDMA users may receive this credit via dialing *2 on their unit).
2. **For Voice and Data Service** – Sprint will exclude the following features regardless of the phone or plan selected:
 - a. International calling – with the ability to activate on a case-by-case basis
 - b. Online games
 - c. Direct bill for digital goods or games
 - d. Information services such as sports or stocks
 - e. Advertisements
 - f. Ability to download music or videos
 - g. Calls to entertainment lines must be blocked ("900" numbers, etc.)
3. Standard cellular voice services and equipment with optional data service is primarily used for person-to-person voice communication.
 - a. Sprint will provide the following:
 - i. Rates that include activation, access, roaming and domestic long distance, plus the base phone charges.
 - ii. No charges for unanswered calls.



- iii. Unlimited member-to-member or "group" calling options.
- iv. Free nights and weekends to start at 7pm
- v. Domestic long distance is included when placing calls in the home airtime rate and coverage area.
- b. **Voice Mail** - Sprint will provide the following for voice mail:
 - i. Sprint will provide one standard announcement, which may be personalized per the end user.
 - ii. The maximum length for each voicemail is four minutes.
 - iii. Each handset is able to store up to 30 messages
 - iv. New messages are stored for 20 days and saved messages are stored for 30 days.
 - v. Each subscriber will be prompted to choose a security code the first time they access their voicemail.
 - vi. Sprint voice mail calls are treated as an outgoing call. Normal package minutes will apply.
- c. **Picture Phones services:**
 - i. Contractor will provide for transferring photos via the network
 - ii. Contractor will provide for transferring cell phone to a PC and Laptop.
 - iii. Contractor will provide handsets with capabilities to accomplish the above two functions.
- d. **Optional Charge Features**

See pricing section for available optional features.
- e. **Voice Priority Services**
 - i. In the event of a natural disaster or emergency, Sprint shall provide priority voice cellular service to State employees with critical job duties that are responsible for responding to such events. Priority access is defined as giving State authorities, in times of emergency, access to a Sprint's network ahead of the general public.

Sprint offers Wireless Priority Service (WPS) available for both iDEN AND CDMA.Nxtel National Network.

WPS is a federal government initiative executed and administered by the National Communications System (NCS), which is part of the Department of Homeland Security. The NCS is responsible for authorizing all WPS users and assigning one of five priority levels. WPS is invoked by authorized users on a call-by-call basis by dialing *272 + Dialed Number.

WPS provides priority network access at the originating cell site, which is accomplished through call queuing for radio traffic channels, and High Probability of Completion (HPC) capabilities that enable end-to-end priority treatment. Critical HPC features include:

- ◆ SS7 IAM enhancements that 'mark' and prioritize WPS calls; call marking enables priority treatment to be forward to subsequent nodes and networks that have HPC capabilities.
- ◆ Trunk queuing.
- ◆ Priority queuing at the terminating cell site.
- ◆ Call routing enhancements.
- ◆ Glare handling enhancements.
- ◆ Priority treatment of Government Emergency Telecommunications Service (GETS) calls.

Priority Connect

Sprint's dispatch Priority Connect is a feature that provides subscribers with priority access to the Nextel National Network and its resources during times of congestion. During emergencies and other times of network congestion, Priority Connect subscribers are queued in order of precedence, increasing the likelihood their Nextel Walkie-Talkie calls will be completed. The Priority Connect feature is available only for Nextel Walkie-Talkie calls, not for cellular calls.



Priority levels determine which calls receive access when all Walkie-Talkie channels are busy, and which calls are assignable on an individual basis. Higher level priority users will automatically be placed higher in the call back queue than lower level users. Users within the same priority level will be assigned channels on a First-In-First-Out (FIFO) basis. When a channel becomes available and active call requests are in the queue, Sprint's system automatically assigns the first available channel to the top of the call back queue and notifies the call initiator with an audible tone.

Emergency Group Walkie-Talkie

Emergency Group Walkie-Talkie, also known as "ruthless preemption," provides network resources to specific subscribers during times of congestion. When Emergency Group Walkie-Talkie is initiated, all other Nextel Walkie-Talkie calls occupying the channel are preempted to allow for the call to be completed. The emergency calls are initiated from handsets equipped with an emergency button.

The emergency transmission is prioritized to a priority level of 0 and sent over the active channel, preempting all other calls that would have otherwise prevented its transmission. All active members of the user's talkgroup (including the State of Michigan dispatcher) immediately switch into a special emergency talkgroup and the Emergency Group Walkie-Talkie session begins.

Emergency Group Walkie-Talkie can only be initiated by the i325IS, however, all iDEN handsets can communicate within the Emergency Group Walkie-Talkie call.

Talkgroup Scan

The Talkgroup Scan feature of the Sprint public safety package allows subscribers to listen on their handset for communication on more than one talkgroup at a time. Talkgroup Scan is a per subscriber feature that requires use of the i325IS handset. Any handset may be a member of the talkgroup the user is scanning. Talkgroup Scan is fundamentally an extension of Group Walkie-Talkie.

Group scanning is accomplished by setting up "Scan groups" – groupings of up to 4 talkgroups. Customers initiate scanning by pressing the mode key on their i325IS handset. The Talkgroup Scan feature will enable the States public safety personnel, such as supervisors and dispatchers who need to monitor the communications of several groups, to meet their job responsibilities.

Premium Public Safety Care

Sprint has employed a Tier-2 customer care team, trained to meet the specific needs of our public safety customers. The team is staffed 24x7x365, with a goal of providing "One Call Resolution" – i.e. one source for service, billing and technical support questions. To qualify for Premium Care, the customer must be classified as a First Responder (i.e., Police, Fire, EMT, or Federal Protective Services) or purchase either Priority Connect or Emergency Group Walkie-Talkie. There is no additional charge for the service; however, the customer is required to maintain a Tier-1 in-house Care group.

Wireless Priority Service

Wireless Priority Service (WPS) allows authorized National Security and Emergency Preparedness personnel to make cellular calls during an emergency when channels may be congested. WPS and Priority Connect service both work on all iDEN handsets from Sprint. WPS is overseen by the National Communications System (NCS) a division of the Department of Homeland Security. WPS was developed to meet a directive from the White House. NCS executes the program on behalf of the Executive Office of the President. Only individuals in NS/EP positions are authorized to use of WPS. Five categories have been established to identify critical NS/EP leadership functions and determine eligibility.



WPS on the the Sprint PCS Network:

We are working to implement WPS on the Nationwide Sprint PCS Network. Your Public Sector Account Team will notify the State once this service is available to Sprint PCS subscribers.

1. Based upon the disaster or emergency, the agencies or entities include, but are not limited to, law enforcement (both state and local), Governor's office, Michigan Department of Environmental Quality, Michigan Department of Transportation, Michigan State Police Emergency Management and Homeland Security Division, Michigan Department of Health and other first responders. This list is not all inclusive.

Sprint provides a list of eligible categories below:

- A. Executive Leadership and Policy Makers
 - B. Disaster Response/Military Command and Control
 - C. Public Health, Safety, and Law Enforcement Command
 - D. Public Services/Utilities and Public Welfare
 - E. Disaster Recovery
2. Only individuals in NS/EP positions are authorized to use WPS. Five categories have been established in order to identify critical NS/EP leadership functions and determine eligibility. The NCS will be the decision maker on those subscribers that are and are not eligible for WPS service.
 - A. Executive Leadership and Policy Makers
 - B. Disaster Response/Military Command and Control
 - C. Public Health, Safety and Law Enforcement Command
 - D. Public Services/Utilities and Public Welfare
 - E. Disaster Recovery
3. There is not a limit to the number of phones that can access priority services, but the users are determined by the NS/EP regulations listed above.
4. WPS is invoked by dialing *272 prior to the destination number:
 - ♦ WPS is an enhancement to basic cellular service that allows NS/EP calls to queue for the next available service channel.
 - ♦ IOC provides queuing on the origination of the cellular call.
 - ♦ FOC will provide handling from origination, through the network, to the called destination.

Customers must have leadership roles in NS/EP to use WPS. Key requirements are as follows:

- ♦ Customer must be a Sprint subscriber
 - ♦ Customer must request WPS service at <http://wps.ncs.gov/> or call 1-866-NCS-CALL to apply.
 - ♦ NCS will inform Sprint of those subscribers that are approved for WPS and at what Priority Level.
 - ♦ Sprint cannot add, delete or modify a WPS subscription without NCS consent.
5. Air time and per call fees associated with priority service are detailed in the pricing section.
 6. During emergencies, Sprint will works with other carriers in order to ensure adequate coverage is provided to our customers. Each incident is handled based on the nature and size of the emergency. Sprint has our own disaster recovery and business continuity plan in place to respond to emergencies.



7. Sprint's Public Sector Account Team will provide three demonstration units for testing purposes after contract award. During this time, the State may subscribe to WPS services for testing purposes.
- ii. Sprint expedites processing of assistance requests through their centralized Emergency Response Team (ERT). Using technology such as Satellite Cellsites On Wheels (SatCOW's), combined with capabilities like Nextel Walkie-Talkie, Java-based data tools, and a nationwide digital network, ERT is able to immediately mobilize proven wireless communications to multiple emergency sites, regardless of whether there is a Nextel National Network in the area.

The ERT also provides agency-specific event support, and can create wireless service coverage on a temporary basis via our deployable "Cellsites On Wheels" (COW's), on a case by case basis as requested.

ERT products and services are priced according to equipment unit type, unit quantity, type of required service, deployment length, and support personnel requirements.

ERT offers three primary services:

◆ **Emergency Equipment Lease**

The Emergency Equipment Lease service provides a short-term lease option (usually on a weekly basis) for handsets during an emergency situation. This lease is designed to compliment a customer's existing subscriber base on short notice and allows your subscribers to choose the type of handset and services required.

◆ **Field Training Support**

The Field Training Support service is similar to the Emergency Lease option above, but is designed for short training or field exercises, and thus leases handsets for daily, rather than weekly usage. The customer can choose the type of handset and services required for the training exercise.

◆ **Disaster Support**

The Disaster Support service provides emergency response and disaster recovery personnel wireless telecommunications coverage in remote locations via the deployment of portable cell sites to the scene. These cell sites may be either COW's or satellite-based SatCOW's. COW's link to adjacent cell sites via microwave or T-1 facilities. SatCOW's use a Geostationary Earth Orbit (GEO) satellite operating in the Ku Band to transfer voice and data to the national network. This is the same type of satellite and frequency used by commercial services such as DirecTV and the Dish Network.

◆ **ERT GO KIT**

For the State's emergency response units, Sprint will provide their Emergency Response Team (ERT) Go-Kit. With the ERT Go-Kit, the State can keep a cache of phones on-hand and ready to be activated quickly for communication during emergencies, preparedness drills or pre-planned events. The State may purchase the phones and accessories. Wireless service charges only accrue when the phones are activated and in use. The process is as follows:

- ◆ Choose from a variety of phones and accessories, including multi-bay battery chargers
- ◆ Specify the quantity and configuration of shatter-resistant storm case cargo containers
- ◆ The ERT will inventory, package, program, label and charge the phones
- ◆ The SOM can manage the ERT phones with Sprint's label printing program and the directions in the ERT Go-Kit Handbook



1. The State is eligible for Sprint's Emergency Response Team (ERT) Disaster Program, which grants the use of up to 25 units for a period of 14 days per requesting agency at no charge for official State and Federal Declared Disasters. There must be an official state or federal declaration or ERT's standard rental rates will apply.
2. The State may call ERT's 24x7/365 Support Hotline for emergencies as well as the Public Sector Account Team. Pricing has been provided in the Pricing Section.

Sprint provides WPS on the Nextel National Network offers WPS on the Nationwide Sprint PCS Network as described in the section above (e.**Voice Priority Services**). Prices have been provided in the Pricing Section.

1. Data Services are not currently offered under WPS.
- f. **Emergency Use Only** - phones can be added as add-on lines to existing plans, and/or ERT Go-Kits provide another alternative. See Pricing.
- g. **E911** – Completed Phase I & II in some areas, not in all. Maps may be requested from Sprint to determine specific areas of compliance and noncompliance.
- h. **Porting Process**
The State will be required to provide the following information to begin the process of porting your numbers to Sprint service. Generally, this information appears on an invoice.
- ◆ Billing Name and Address
 - ◆ Account Number or Social Security Number
 - ◆ Phone Number you wish to port
 - ◆ Password (if applicable)

Completion Timeframes

The port completion for wireless customers to Sprint depends on how the State purchases devices. Ports are not processed on holidays.

- ◆ For devices purchased at retail stores, ports are generally completed within 1 day
- ◆ When purchasing an active device shipped direct to the customer:

Sprint PCS devices:

- The user should receive the device in 3-5 days
- The port is scheduled to complete from the old carrier to Sprint after the customer receives the device. The port date is scheduled for 5 days after the device order is entered.

Nextel IDEN devices:

- The user should receive the device within 1 business day, if the customer requests Saturday shipment. However, if the order is placed after 4 p.m., the order will ship the following day.
- The user also has the option to have the devices shipped active with a temporary number and then have the number ported over. This can be done directly by the user by calling customer care at 800-639-6111.
- The port should complete from old carrier to Sprint within 1 business day
- ◆ If purchasing a non-active device shipped directly to the customer:
For both Sprint PCS and IDEN devices:
 - The user should receive phone within 2-5 days
 - The user calls customer service from a landline phone to activate wireless phone
 - Port should complete from old carrier to Sprint within 1 day



i. **Voice Handsets**

- i. Sprint's standard base handsets shall include:
 - 1. An AC wall charger, (belt-clip and a 12 volt car chargers are optional features see pricing chart).
 - 2. A hands-free operation kit.
 - 3. Several Sprint handsets are offered under the State contract that is equipment with a standard earphone jack. See phone set specification details. Other types of hands-free operation kits are available as optional features (see pricing chart).
- ii. Handsets - See handset options with pricing schedules.
- iii. Sprint will provide a minimum of 3 handsets for a 30 day evaluation period.
- iv. Special handset requirements:
 - a. Sprint will provide handsets with NO picture phones or other special features as ordered.
 - b. Sprint will provide picture phones and associated services as ordered.
- v. To upgrade or replace a phone or connection card, subscribers will call the toll free Sprint support line at 866-805-9890.
- vi. The State may continue to utilize any existing Sprint equipment. The Public Sector Account Team is offering a fixed dollar amount for equipment credits on new activations. The amount of this credit is provided in the Pricing Section.
- vii. Sprint provides 24x7 support for BlackBerry handset issues through our customer solutions call centers. TSupport is subscription-based service that is Sprint billed monthly.

TSupport has been broken down into 5 service support levels to satisfy specific BlackBerry support needs:

- ◆ **Tx1 Support:** Tx1 is essential technical support that provides telephone, e-mail and fax support; 2 named contacts; T-Electronic support including knowledge base, frequently asked questions and technical documentation, along with all software downloads and upgrades as made available by RIM for the period of time subscribed to for the support
- ◆ **Tx2 Support:** Tx2 is enhanced technical support that provides all the features of Tx1 support with the addition of 24x7 telephone support and two additional named contacts
- ◆ **Tx3 Support:** Tx3 is advanced technical support that provides all the features of Tx2 support with the addition of priority queuing of support issues, one additional named contact and enhanced T-Electronic support
- ◆ **Tx4 Support:** Tx4 is premium technical support, incorporating all the elements of Tx3 support with the addition of a Support Account Manager and a Direct Access Response Team for all technical support issues and 5 additional named contacts
- ◆ **Tx5 Support:** Tx5 provides the highest degree of technical support by offering all the features of Tx4 support with the addition of an executive sponsor and tech-to-site assistance

Pricing for BlackBerry devices, rate plans, BES and CALs, and TSupport is provided in the Pricing Section.

- viii. Nextel handsets offer handset-based voice dialing, where you record a voice tag for each address book entry that you wish to have voice dialing on. There is no fee associated with handset-based voice dialing on Nextel handsets.



Sprint PCS offers a network-based voice dialing solution called Sprint PCS Voice Command. Sprint PCS Voice Command allows you to create a personal address book and make calls via voice commands. This feature is accessible on any Sprint PCS Phone and is included on all Sprint PCS Total Wireless Access plans or can be added for a monthly recurring charge. Sprint PCS Voice Command personal address book can store up to 2500 telephone numbers (500 entries of 5 telephone numbers each). Your personal address book can be updated using any of the following methods:

♦ At www.talk.sprintpcs.com:

- Automatically download and synchronize address books from desktop software applications, such as Microsoft Outlook, Lotus Notes, Lotus Organizer and ACT! Contact management software into your Voice Command personal address book using Sprint Sync Services - available to all Sprint PCS Voice Command subscribers at no additional cost for unlimited synchronizing. After logging into www.talk.sprintpcs.com, click the "Click to Synchronize" button to get started with Sprint Sync Services. Or, manually enter names and numbers at no additional charge

♦ Through Sprint PCS Directory Assistance, just say "Call Directory Assistance" into your phone and the operator will add 2 names and number to your address book. There is a fee associated, which is provided in the Pricing Section.

♦ On your phone, dial *TALK and say "Add name." Follow the voice prompts to add an entry by speaking the name you want the system to record. You will then enter the corresponding phone number by speaking or typing it into the phone. Up to 20 contacts can be entered this way, at no additional charge.

ix. Reserved

- x. Sprint PCS Voice Command allows you to create a personal address book and make calls via voice commands. This feature is accessible on any Sprint PCS Phone and is included on all Sprint PCS Total Wireless Access plans or can be added for a monthly recurring charge.

Nextel Contact Copier (with an iDEN handset) enables copies your contacts from a GSM carrier's SIM-based handset to a Nextel SIM so you do not have to retype contact entries when switching to a Nextel handset. AT&T, Cingular, and T-Mobile use GSM SIM-based handsets.

Sprint does not offer a calendar copier.

Sprint PCS Contact Synchronization Software reads contact information from the Sprint PCS device and Microsoft Outlook. The Sprint PCS Contact Synchronization Software offers two options for address book editing.

♦ **Phone List:** The phone list displays existing entries from the phonebook for editing and updating

♦ **Microsoft Outlook:** The Microsoft Outlook view displays a dual screen containing both the phonebook list and the Microsoft Outlook contact list from which Sprint PCS customers can "drag and drop" selected entries into the phone list. When editing is complete, customers can export and synchronize the revised entries back to the Sprint PCS device and/or Microsoft Outlook.

The new Sprint PCS Contact Synchronization Software supports the latest Sprint PCS devices via a web page download along with subsequent software releases.

The Sprint PCS Contact Synchronization Software requires a serial or Universal Serial Bus (USB) cable that is part of the Sprint PCS Connection Kit. Additionally, some Sprint PCS devices can sync via Bluetooth or Wi-Fi technologies.



- xi. Multi-mode handsets listed in pricing section.
- xii. Blue Tooth Support for hands free operation is featured in several of the units listed in the pricing section.

xiii. Dual Mode

Sprint offers a variety of dual-band/dual-mode handsets, which offer 1900Mhz CDMA and 800Mhz AMPS capabilities in a single handset. These phones are programmed to search for Sprint's digital network first, then CDMA roaming partner networks, and finally analog roaming partner networks. The user can configure the phone for digital-only, analog-only, or the automatic operation described (default). All current Sprint PCS handsets are dual-band.

Sprint has roaming agreements allowing you to make/receive calls, text messaging and use data services while off the Sprint National Network with Sprint PCS roaming-capable phones (digital dual-band or tri-mode) in nearly every area of the United States where wireless service is available, as well as parts of Canada, Mexico, and the U.S. areas of Guam, Puerto Rico, and the U.S. Virgin Islands. When your employees are not on the Sprint National Network, your Sprint PCS Phone automatically searches for an alternative network.

Sprint does not currently support Voice over Wi-Fi technology.

- xiv. Integration with PBX - Sprint offers three platforms for PBX integration solutions.

Sprint Wireless Integration

Sprint Wireless Integration allows customers to extend the features and functionality of premise-based Private Branch eXchange (PBX) to mobile phones. More details on Sprint Wireless Integration are available at www.sprint.com/voip

Mobile Extension: Wireless PBX Integration

Mobile Extension unifies communications across heterogeneous devices (desk phone, cell phone, Wi-Fi, and PBX devices) and networks (traditional TDM and new IP-based PBX) so users can answer calls and be more responsive wherever they are in the world and on whatever device they choose.

Mobile Extension Disaster Recovery Capabilities

Sprint's Mobile Extension is an ideal system to assist in disaster recovery, because it can accept and redirect calls to and from a wide range of sources.

j. **"411" Service**

Sprint Directory Assistance allows the State employees to get information on anything from people, places and phone numbers to restaurants, movies and events. Dialing 411 allows users to find numbers nationwide with no extra charge for call completion. The fee for this service is provided in the Pricing Section.

4. Combined Voice and Push-to-Talk (PTT) with Optional Data Services

a. Secure Network Access

b. Transmission Delay (Latency)

Sprint measures Walkie-Talkie call setup time (or latency) as the time elapsed from when the Walkie-Talkie button is depressed to when you are able to talk. Nextel Walkie-Talkie latency is designed to be less than 500 milliseconds, or less than 1/2 of a second. This time can be affected by time of day and call traffic patterns.

c. Calling Group Setup

Use Walkie-Talkie service to contact up to 20 other iDEN users, anywhere on the Nextel National Network.



d. Online Management of Calling Groups

Customers can sign up to receive Talkgroup Management update e-mails at www.nextel.com/groupconnect..

e. Calling Group Membership Limitation

Group Connect can accommodate up to 20 users per group and Talkgroup can accommodate 21-100 users per group.

f. Calling Group Size

Reserved.

g. PTT Measurement

Nextel Walkie-Talkie calls accrue an initial usage period of six seconds to connect, plus the actual air-time utilized, rounded to the nearest second. Walkie-Talkie alerts not answered accrue no air-time thus no charges.

h. Voice and PTT Priority Services

Sprint offers Priority Connect and Emergency Group Walkie-Talkie on our Nextel National Network.

WPS service is requested at <http://wps.ncs.gov/> or call 866-NCS-CALL (866-627-2255) Toll Free, Select Option "2" to apply. The National Communications Systems (NCS) will inform Sprint of subscribers approved for WPS and at what Priority Level. WPS is then provisioned for you.

Priority Connect service is only available to Public Sector customers. Prior to activating the Priority Connect service on an account, the Public Sector Account Manager must approve all requests for Priority Level 3, 4 and 5. Priority Levels 1 and 2 must be approved by Sprint executives. When appropriate approval is received, Priority Connect is provisioned.

i. Hybrid Service

Sprint Nextel PowerSource phones combine iDEN and CDMA technologies in one phone set. It enables Nextel Walkie- Talkie service plus Sprint PCS Voice and Mobile Broadband Data Services.

Current Nextel Subscribers

Most existing Nextel rate plans will be available with the PowerSource phone without having to change your rate plan. If your current rate plan is one of the few that is not available, you will have to choose a current rate plan. Sprint PowerSource phones can share minutes with existing Nextel phones as long as the phones are on the same Billing Account Number and within the same plan family.

Current Sprint subscribers

As a current Sprint PCS subscriber, you will have to change your rate plan to a current rate plan. The PowerSource phones will not be able to share minutes with existing Sprint phones.

j. Push-To-Talk Network Technology Migration Plans

Sprint does not plan to alter the push-to-talk technology offered on the Nextel National Network. Sprint expects to utilize QChat technology to extend high performance push-to-talk services to customers on the Nationwide Sprint PCS Network, as well as provide interoperable push-to-talk services between users on both networks.

k. Emergency Use ONLY PTT Plans and Phones

Sprint recommends that Emergency Use Only PTT users subscribe to the Sprint Business Essentials Add-on plan and have cellular use restricted. This plan will provide the lowest monthly recurring charge with unlimited Nextel Walkie-Talkie minutes.



5. Data Services for PC Cards and Optional Data Service

- a. Sprint's Mobile Broadband (Evolution Data Optimized or EV-DO) service runs on the Sprint Mobile Broadband Network, providing customers average speeds of 400-700 kbps (2 Mbps peak) for downloads (approximately as fast as DSL), and 50-70 kbps (144 kbps peak) for uploads.
- b. Reserved.
- c. Services:
 - i. Sprint does not offer a push-to-talk email solution.
 - ii. Sprint's BlackBerry, Treo and Pocket PC devices will support calendar synchronization.
 - iii. Sprint's BlackBerry, Treo and Pocket PC devices will support attachment viewing.
 - iv. Sprint's BlackBerry, Treo and Pocket PC devices will support the ability to access documents.
 - v. **Web mail interface**
Sprint offers a number of wireless email and Personal Information Management options.

Nextel Mobile Email Enhanced

Mobile E-mail Enhanced from Sprint is an always on, up-to-date e-mail, calendar and contact application and service for most of our iDEN Java-enabled phones.

BlackBerry

BlackBerry is a platform that supports wireless access to a wide range of information and communications through e-mail, phone, corporate data, Short Messaging Service (SMS), calendar, corporate contacts, and Internet applications. Sprint provides Blackberry service on both the Nextel National Network and the Nationwide Sprint PCS Network.

Good Mobile Messaging for Sprint PCS

Good Mobile Messaging delivers instant e-mail, corporate data access, and a spectrum of Outlook capabilities wirelessly via your Sprint PCS device.

- vi. The Sprint PCS Contact Synchronization Software offers two options for address book editing:
 - ◆ **Phone List:** The phone list displays existing entries from the phonebook for editing and updating
 - ◆ **Microsoft Outlook:** The Microsoft Outlook view displays a dual screen containing both the phonebook list and the Microsoft Outlook contact list from which Sprint PCS customers can "drag and drop" selected entries into the phone list. When editing is complete, customers can export and synchronize the revised entries back to the Sprint PCS device and/or Microsoft Outlook.
- vii. All current Sprint PCS and Nextel devices are web-enabled.
- viii. Sprint does provide support for POP3 and SMTP e-mail access wirelessly via the Nationwide Sprint PCS Network. The State's subscribers can access e-mail on their Sprint PCS Vision-enabled phone, SmartDevice (Treo, PPC, Blackberry), or Nextel handset in a number of ways. All SmartDevice and some phone handsets can use a POP mail client to send and receive e-mail messages from an outside POP/SMTP mail server (if allowed by that external server) or from Sprint PCS Mail.
- ix. The State may access GroupWise by utilizing one of our BlackBerry email solutions.



- x. The State may access Microsoft Exchange through one of our BlackBerry Email Solutions, Good Mobile Messaging or Pocket PC.
- xi. Push to X features (Ex: 1 push picture send) – Not currently offered.
- xii. Reserved.
- d. Reserved.
- e. Security – encryption utilized for identity and message content security.
- f. The State is eligible for all data services, no matter the package. None of our data services use voice plan minutes. All data service plan pricing is provided in the Pricing Section.
- g. See Equipment **Exhibit D** for available wireless data cards.
- h. Each of Sprint's connection cards are packaged with the Sprint Connection Manager software. Connection Manager is software installed on a PC connecting to the Nationwide Sprint PCS Network. It performs authentication functions similar to those of a RAS client with a dial up network connection. Connection Manager is a software package that will need to be installed on a PC for use with a Connection card or Phone as a modem operation.
- i. For users who want the convenience of a single device for voice and data connections with their laptop, Sprint offers Phone as Modem Plans. The option can be added to any Sprint voice service plan, and allows you to use your Sprint Vision Phone or Bluetooth-compatible phone with connection cable to connect your laptop computer for data communications.
- j. **Sprint PCS Vision Wireless Data Services**
Sprint Mobile Broadband enables the following data services:

♦ **Wireless access to your corporate e-mail and personal information manager (PIM):**
Sprint offers several configurations to best fit your infrastructure and needs

♦ **Sprint PCS Data Link:** A secure, private connection between your enterprise network and the enhanced Nationwide Sprint PCS Network

♦ **Telemetry Services:** A convenient, cost-effective platform for gathering and distributing information across a range of applications, including fleet management, wireless point-of-sale transactions, ATMs, and utility services

♦ **Messaging Services:** From their wireless devices, employees can send and receive important messages as well as receive customized information like stock quotes and weather reports to help them be at their most productive while on the go Wireless high-speed data solutions and services that run on the Sprint Mobile Broadband Network (EV-DO)

Wireless Email and Personal Information Management

Sprint offers a number of wireless email and Personal Information management options. BlackBerry is a platform that supports wireless access to a wide range of information and communications through e-mail, phone, corporate data, Short Messaging Service (SMS), calendar, corporate contacts, and Internet applications. Sprint offers BlackBerry service utilizing the Nationwide Sprint PCS Network. Existing BlackBerry customers can utilize their current BlackBerry Enterprise Server (BES). Sprint offers service plans for wireless voice and data, as well as data-only pricing.



Good Mobile Messaging

Good Mobile Messaging delivers instant e-mail, corporate data access, and a spectrum of Outlook capabilities wirelessly via your Sprint PCS device. Good Mobile Messaging is securely deployed and upgraded entirely over the air and allows users to run several applications at a time. Good Mobile messaging patent-pending compression technology provides fast, efficient and reliable data delivery.

Sprint PCS Data Link

Sprint PCS Data Link provides mobile or remote workers secure, real-time access to your enterprise network. Sprint PCS Data Link provides a direct connection between Sprint's CDMA network and your enterprise network - regardless of your network provider. As a result, your data traffic does not touch the public Internet, and security is not compromised. In addition to secure access, Sprint Data Link provides flexibility to meet the specific requirements of your business. Sprint PCS Data Link supports two primary applications:

♦ **Sprint PCS Data Link for Wireless Wide Area Network (WWAN):** Using a Sprint-certified CDMA modem, you can transport data from your fixed or transportable locations, or backup existing wireline data transport methods. The solution is ideal for low-bandwidth applications, such as point-of-sale devices, sales kiosks, ATM machines and monitoring devices. It also provides an alternative or backup to 56k SprintLink Frame Relay, ISDN, DSL or broadband.

♦ **Sprint PCS Data Link for Mobile Access:** Using a Sprint PCS Connection Card, your mobile employees can securely access the intranet, e-mail and other mission-critical corporate applications – without the overhead associated with IPsec clients.

Nextel Wireless Data Services

Sprint's Wireless Data Services enable iDEN subscribers to send text messages, access e-mail, internal databases and wireless Internet service. Our packet-switched iDEN network allows you to send and receive data from your handsets or laptop computers, without a landline connection and without using any cellular minutes.

Sprint currently offers two wireless data services on our iDEN system to meet the needs of our customers:

- For wireless PC access we offer a Wideband iDEN enabled handset that supports uncompressed data throughput of up to 40 Kbps.
- Mobile IP allows for handsets and wireless modem devices to be provisioned with private (10.xx.xx.xx) or public static IP addresses depending on the requirements of the customer and/or the application.

An overview of available rate plans and some of our Java based industry solutions is included in the pricing section **See Exhibit C**.

- k. Data sessions will be maintained as long as there is a network signal on the Nextel National Network. When a device connects to the Nationwide Sprint PCS Network, it is assigned an IP address. The lease on the IP address is maintained for two hours of inactivity. During a time (15 seconds or more) of no data transmission, the connection is "dormant," but the device (laptop, etc) is still connected. When an application is started on a dormant connection, the data network connection is already present and available for that application. The application can thus be started and stopped as often as frequently as necessary without disconnecting the connection to the data network. The dormancy has no impact on the user experience and is used to reduce unnecessary traffic on our network.
- l. Optional Services – listed with related costs can be found in the pricing section.



- m. Sprint will provide the State with the ability to block features at the account level or handset level as requested by the State. This is done by adding a feature to the individual subscriber's wireless phone number. ATC's will need to provide Sprint how they would like to have this provided.
- n. The State requires PC data card software must be compatible with the State's standard laptop and desktop builds, VPN and security protocol. Sprint has tested the VPNs listed below and currently meets this requirement. If the State changes to a new standard additional testing will be required that may result in Sprint not being able to support the requirement.
 - Microsoft
 - Cisco
 - Nortel
 - Checkpoint
 - NetMotion
- o. Voice plan minutes are separate from data access.

D. Service Support and Administration

1. **Coordination with State Agency Telecommunications Coordinators (ATC)s** Sprint will coordinate contractual activities with State Agency Telecommunications Coordinators (ATC). The State will provide a list of ATCs to the Sprint within five (5) days after the contract is signed.
 - a. Sprint maintains several Account Profile, which contains all contract information and a listing of all authorized individuals that may place orders on the State behalf.
 - b. Sprint acknowledges and agrees that the State shall bear no liability on Contracts entered into for purchases by non-State Authorized Personnel which liability the State expressly disclaims.
 - c. Sprint agrees with regard to non-State Authorized Personnel to look solely to the respective contracting party for any rights and remedies.
2. **Customer Service Requirements**
 - a. **Customer Support Availability**
 - i. Sprint will provide a dedicated National Account representative to be available during normal business hours Monday thru Friday 8:00 a.m. – 5:00 p.m. EDT. Customer service must respond to any customer service request within four (4) hours of notice.
 - ii. Sprint's Public Sector Customer Care organization is dedicated to providing customers with one source for all service, technical, operation and billing support. The Customer Care Center is available 24 hours a day, seven days a week at 1- 800-390-7545 for the State's wireless questions and issues.
 - iii. Sprint Hold times will be less than 5 minutes is the goal here for the service level agreements for response times at our contact centers.
 - b. **Technical Support Availability**
 - i. Sprint's Public Sector Customer Care organization is dedicated to providing customers with one source for all service, technical, operation and billing support. The Customer Care Center is available 24 hours a day, seven days a week at 1-800-390-7545 for the State's wireless questions and issues
 - ii. Sprint will provide technical support must respond to any requests within 4 hours of notice
 - iii. Sprint provides Technical Support 24x7x365 (1-800-390-7545).
 - iv. Reserved.
 - v. Reserved.
 - vi. Sprint's Public Sector Customer Care line is reserved for only Public Sector customers and not the general public.
 - vii. Sprint will provide support "on-hold" times will be less than 5 minutes prior to reaching an agent.



3. Escalation Procedures

Sprint's escalation procedure is outlined in **Exhibit B**.

- a. Sprint will assign a support specialist as a single point-of-contact via a dedicated number for handling issues with your corporate account (billing, orders and activations, account changes, etc.). The SOM's Account Team's regular hours are 8 a.m.-5 p.m. local time, Monday-Friday.

4. Unresolved Issues

Sprint will notify the State's Designated Program Manager in writing of any unresolved issues or problems that have been outstanding for more than ten (10) business days.

5. Performance Audits

- a. Sprint will allow the State the right to conduct periodic performance audits in all area of services required by this Contract throughout the term at the discretion of the State's Designated Contract Administrator.
- b. Sprint will provide any additional documentation necessary for the performance audit, as requested by the State, within 15 calendar days of request. It is understood that any third party auditor acting on behalf of the State shall be subject to prior approval by Sprint and may be required at Sprint's sole discretion to execute Sprint's standard Non-Disclosure Agreement prior to examining, inspecting, copying or auditing Sprint's records

6. State Business Review Meetings

Sprint will meet with the State every three months or as otherwise specified to maintain the partnership between the State and the Contractor. This review may involve, but not be limited to, Contractor performance, problem resolution, mandatory and custom reports, and improvement opportunities.

7. Exemption from Taxes, Fees and Surcharges

A. Tax Exemptions. Sprint will recognize and honor all validly and properly issued and executed tax exemption certificates delivered by Customer and will not bill Customer for any such exempted taxes.

B. Taxes Not Included. Sprint's rates and charges for Products and Services do not include taxes. Customer will pay all applicable taxes for which it does not hold a valid tax exemption, including, but not limited to, sales, use, gross receipts, excise, value added, property, transaction, or other local, state, national taxes or charges imposed on or based upon the provision, sale or use of Products and Services.

C. Withholding Taxes. Notwithstanding any other provision of the Agreement, if a jurisdiction where Customer uses Services requires Customer to deduct or withhold separate taxes from any amount due to Sprint, Customer must notify Sprint in writing. Sprint will then increase the gross amount of Customer's invoice so that, after Customer's deduction or withholding for taxes, the net amount paid to Sprint will not be less than the amount Sprint would have received without the required deduction or withholding.

D. Exclusions. Customer is not responsible for Sprint's direct income and employment taxes.

8. "No Shut Off" Policy for State Accounts

Public Act 279 allows for late payment fees to be charged after 45 days. Shut-off for failure to pay prior to the 45-day legislative provision will not occur. A suspension of service would occur if a State customer failed to cure (for any undisputed) a material breach of the Agreement within thirty (30) days of being notified of such a breach. That's a different period than forty-five (45) days after receipt of invoice. So, if payment terms are net thirty (30) days, and the Customer does not pay by Day 31, then Sprint would be required to give the State an additional thirty (30) days notice to pay. Thus, the State would have at least sixty (60) days to pay its invoices before Sprint had the right to shut off service for nonpayment. As a practical matter, Sprint would only suspend service for nonpayment as a last resort.

**9. New Materials Required**

- a. All materials and equipment delivered and/or installed under this Contract shall be new and be the standard products of a manufacturer regularly engaged in the production of the materials and equipment.
- b. Sprint offers a wide variety of handsets and devices by several manufacturers. Sprint will not limit devices to one manufacturer in order to provide the widest variety of products to meet your needs.
- c. Sprint agrees that any manufacturer's data and/or documentation supplied with the item(s) shall be submitted to the State's authorized representative.
- d. Sprint's Public Sector Account Team will advise the state of new products and services. Any changes that will require software updates for the State's handsets will be provided free of charge for the term of the contract.

10. Activation/Termination/Suspension of Service**a. Existing Equipment**

- i. Sprint will activate, terminate or suspend service on existing equipment and complete requested plan changes immediately upon notification by the Agency Telecommunications Coordinator (ATC). Monthly service charges are not pro-rated when a unit is deactivated.
- ii. The Sprint Public Sector Account Team will provide training and examples of how to utilize the Telecom eCenter Manager for all Sprint assets. The ATC may activate devices through the Telecom eCenter Manager, which is a single entry point to access several account management tools to assist telecom managers with self service account activities and transactions. The Telecom eCenter Manager tool supports both Sprint PCS and Nextel products and services as well as any Sprint wireline services the State may utilize.

b. Activation of Service - New Equipment

New handset and device orders will arrive within 3 business days upon receipt of order. All handsets and devices arrive activated and provisioned. Equipment purchases at Sprint Retail Stores and Sprint Authorized Representatives can be activated on site.

c. Activation of Service for Emergency

- i. The State is eligible for the Emergency Response Team (ERT) Disaster Program, which grants the use of up to 25 units for a period of 14 days per requesting agency at no charge for official State and Federal Declared Disasters. There must be an official state or federal declaration or ERT's standard rental rates will apply. Sprint's ERT department is available 24 hours a day, seven days a week and will make every endeavor to activate and deliver equipment in the time requested. ERT will make every endeavor to activate and deliver equipment within 24 hours.

For the fastest solution for emergency phones, Sprint offers Go-Kits which provide the ability to keep a cache of phones on-hand and ready to be activated quickly for communication during emergencies, preparedness drills or pre-planned events. Wireless service charges only accrue when the phones are activated and in use. The State will work with their sales representative to choose Sprint phones and accessories at allowable contract prices. ERT will procure the required quantity and configuration of the requested rugged, shatter-resistant storm case cargo containers. The ERT will inventory, package, program, label, charge and ship the State phones.

Activation takes three rapid and simple steps:

1. The State will call ERT's 24x7x365 support hotline to initiate activation
2. Equipment will be activated to your specifications
3. Once activated, equipment is ready to use

Pricing for the ERT Go-Kits is provided in the Pricing Section.



- ii. Public Safety officials interested in requesting ERT assistance should call the Sprint Nextel Public Safety Call Center at (888) 639-0020. GETS Users should contact (254) 295-2220. Operators are available 24/7.
- iii. Sprint offers ERT Go-Kits that will provide equipment to be kept at a secure State of Michigan location for emergency use. These phones will not be active until notification is received by the ATC.

d. **Contract Terms**

- i. Individual service contracts shall be coterminous with master agreement. Purchases made at any point throughout the Contract term will be for a period no longer than, but possibly less than, the remaining master agreement (Contract) term.
- ii. Sprint is proposing a contract for the State of Michigan for state-liable units. The State's employees may purchase employee-liable units for personal use outside of the State's units.

e. **Temporary Suspension & Reactivation**

- i. The State may deactivate and reactivate lines at anytime without penalty as **early termination and activation fees are waived for state-liable units**. If the State utilizes seasonal suspension, the State will incur a monthly charge of \$5.95 per suspended line. This is the only way that the State will be able to secure that particular handset's phone number.
- ii. Seasonal suspension has a maximum length of six months.
- iii. Sprint agrees not to charge a fee for activating or deactivating a service.

f. **Outage Credit**

For pricing options that include any fixed monthly fees, for each 24 hour outage period, Sprint must pro-rate the bill for a full day of service for each effected subscriber. Sprint's billing systems does not have the ability to prorate invoices automatically for network outages. Sprint will review and address any credit request as a result of extended outages as described above to provide applicable credits.

11. **Replacement Equipment**

- a. Sprint will replace all original equipment with equipment of equal or greater value.
- b. Sprint agrees all replacement parts will be new or when refurbished parts are used, they are refurbished to OEM new specifications.

12. **Lost/Stolen Equipment**

- a. In the event a free piece of equipment is lost or stolen, Sprint offers two (2) insurance programs; Equipment Service & Repair Program and Equipment Replacement Program. Pricing for both programs is in the Pricing Section.
- b. Reserved.

13. **Fraud Monitoring & Prevention**

Sprint will make the necessary adjustments to usage charges and taxes for confirmed fraud activity. If fraud is confirmed after completion of comprehensive investigation, billed usage and taxes associated with fraud activity will be credited to the customer account. Depending on the type and duration of the fraud activity, billed usage credit may be warranted over more than one bill cycle.

14. **Existing Hardware Compatibility/Replacement Requirements**

- a. The State may continue to utilize current Sprint PCS and Nextel equipment on the associated networks. New subscribers to Sprint will require new Sprint PCS or Nextel devices in order to utilize our services.

15. **Returned Goods Policy**

- a. Materials and supplies deemed unacceptable by the State may be rejected by the State.
- b. Over-deliveries will be accepted only at the State's discretion.



- c. Returned Goods Policy shall include full credit if such items are returned within thirty (30) days following date of receipt.
 - i. If items were ordered in error, the State shall pay return freight charges.
 - ii. If Sprint is responsible for incorrectly shipped goods, Sprint shall incur return freight charges.
- d. All returned materials and supplies must be authorized by a Sprint representative and must cite a Return Goods Authorization number.
- e. Restocking charges will not apply if materials or supplies are returned within the Returned Goods Policy time frame and in saleable condition.
- f. Sprint will be responsible for the disposition on all defective, damaged or over-shipped merchandise.
 - i. Return Goods Authorization shall be provided by Sprint within seven (7) calendar days of verbal notification.
 - ii. If return authorization is not received within fourteen (14) days, the merchandise may be shipped back to Sprint for full credit, freight collect.
- g. Sprint will not ship to the State any material or supply which has been returned to Sprint either by the State or other customers due to quality or defective issues.
- h. Sprint will notify manufacturer of issues and return product to the manufacturer or dispose of product for no further use.

16. Warranties

- a. Sprint represents and warrants that it has the right to provide the Services and the cellular equipment offered under this Contract.
- b. Sprint represents and warrants that all services and cellular equipment provided by Sprint shall meet or exceed the minimum specifications as set forth in this contract.
- c. Sprint represents and warrants that the State shall acquire good and clear title to the cellular equipment purchased hereunder, free and clear of all liens and encumbrances.
- d. Sprint represents and warrants that each cellular product delivered under this Contract shall be delivered as a new and not a "used, rebuilt, refurbished or reinstalled" product.
- e. Sprint represents and warrants that it has and will obtain and pass through to the State, any and all warranties obtained or available from the manufacturer/licensor of the cellular product. Sprint shall pass through to Customer all Product manufacturers' warranties available to Sprint for any Product(s) acquired hereunder. Customer may work directly with the manufacturer on any warranty issues. When necessary, Sprint will provide assistance to Customer in effecting manufacturer's warranty service.
- f. Replacement for Equipment Covered under Warranty - Sprint will provide replacements for equipment that is covered under warranty, when spare product is available. Is this an issue?
- g. Replacement Parts for Repair - Only new standard parts or parts equal in performance to new parts will be used in effecting repairs. Parts that have been replaced will become the property of the Contractor/Manufacturer. Replacement parts installed will become the property of the State. Is this an issue?
- h. Out of Warranty Repairs
 - i. If Customer has not purchased an extended warranty through Sprint or the original twelve (12) month warranty period has expired, Customer shall pay Sprint (1) a \$35.00 service repair fee per transaction if the Product stops working due to normal wear and tear or (2) a \$55.00 service repair fee per transaction for all other repairs or replacements.
 - i. Customer's may purchase Total Equipment Protection that is a combination of insurance to protect against loss, theft, physical or liquid damage and service contract to protect against mechanical/electrical problems and failure from normal wear and tear for any number of Customer's Products. Coverage may not be available for all Products and will involve a per claim deductible for approved insurance claims. Insurance is administered and underwritten by third party insurers. If Customer selects coverage, Sprint will charge Customer a monthly premium per covered Product, and Sprint will remit the premiums to the third party insurer on Customer's behalf. Insurance is not subject to the Corporate-Liable Active Units Service Pricing Discount. Claims for lost, stolen, physical or liquid devices must be submitted directly to the third



party insurer. Terms of insurance and service contract coverage are available upon Customer's request. The insurance program and service contract program are available separately.

17. Product Recall Procedures

Sprint shall notify the State's Designated Program Manager about product recalls within 20 business days of official notification by the Manufacturer of a product recall.

Sprint shall have the following to address product recalls:

- a. Sprint shall notify the State's Designated Program Manager about product recalls within 20 business days of official notification by the Manufacturer of a product recall. Notice shall be provided in a mutually agreed upon format to be approved by the State.
- b. If necessary to be returned to the manufacturer, Sprint will facilitate the return of the recalled products to the manufacturer at no expense to the State.
- c. Sprint shall supply comparable replacement equipment at no cost to coincide with the pick-up of recalled items as product is reasonably available.

18. Ordering

Ordering is defined as new orders, as well as changes to existing accounts.

a. Order Process

Contact the Account Team.

b. Facsimile Ordering System

- i. Sprint will accept requests via facsimile from an approved ATC

c. Standard State Ordering Process

- i. Sprint shall accept orders for equipment and services initiated as follows:
 1. Issue a State of Michigan Purchase Order
 2. Purchase with a State of Michigan P-Card
 3. Order through the State of Michigan DMB Web Portal - DMB Purchasing
 4. Via facsimile from an approved ATC
 5. Walk-in ordering from an approved ATC.

d. Emergency Ordering Process

The State is eligible for the ERT Disaster program, which grants the use of up to 25 units for a period of 14 days per requesting agency at no charge for official State and Federal Declared Disasters. There must be an official state or federal declaration or ERT's standard rental rates will apply. Public Safety officials interested in requesting ERT assistance should call the Sprint Nextel Public Safety Call Center at (888) 639-0020. GETS Users should contact (254) 295-2220. Operators are available 24/7.

e. Authorization Guidelines and Liability for Non-Authorized Purchases

Sprint will deliver wireless equipment and services to procuring agencies in accordance with the terms of this agreement. Accordingly, Sprint will provide equipment or services only upon the issuance and acceptance by Sprint of a valid order by ATCs.

f. Reserved

g. Order Number

Sprint agrees not to issue duplicate order numbers among ordering ATCs.

h. Order Acknowledgement

- i. Sprint will provide an ATC with an order receipt acknowledgment within one (1) business day after receipt of an order.
- ii. The order receipt acknowledgment will include the following:
 1. Equipment and/or service plan purchased
 2. Sprint tracking log number
 3. Agency order number (Purchase order number)
 4. Subscriber name
 5. Bill-to address



- 6. Ship-to address
- 7. Ordering department
- 8. Account information

i. **Out-of-Stock Notification**

- i. Sprint shall notify the ATC within three (3) business days after order acknowledgement if an item is out of stock.
- ii. The ATC shall have the option of substituting an available product, or canceling the item from the order, in which case Sprint must provide an option to get comparable equipment to the subscriber within 15 days of the order at no additional cost.
- iii. Under no circumstance is Sprint permitted to make unauthorized substitutions.

j. **Shipment Confirmation**

Sprint will provide a shipment confirmation to the ATC the same day the order is shipped. The shipment confirmation and/or shipment package documentation must contain the following information:

- i. Phone number for new lines
- ii. Electronic serial number (ESN)
- iii. Date shipped
- iv. Tracking number
- v. Account number
- vi. Subscriber name
- vii. Additional information mutually agreed upon by the State and Sprint

Note: Shipping packing slips must not include subscriber's first and last name, along with the equipment phone number; last name or first name only is acceptable.

k. **Unfilled Orders**

- i. Unfilled orders and partial shipments shall be so indicated on the packing list.
- ii. Sprint will automatically inform the ATC of the availability date of unfilled and partial shipment orders within three (3) business days of order request.

19. Request to Add (RTA) Process

- a. The State shall have the option to request additional products to be added to the Contract and/or associated Product Web Catalog or make exceptions to existing standards.

Agreed upon modifications in product, service, and/or prices will be incorporated into the Contract through a properly executed amendment (Contract Change Notice), issued by the DMB Purchasing Operations Buyer or DMB Contract Administrator.

20. Online Accounts

- a. Sprint's Telecom Manager eCenter, often called just 'eCenter', is a single entry point to access several account management tools to assist telecom managers with self service account activities and transactions.

The Telecom Manager eCenter can be found at: www.sprint.com/ecenter.

An online demo for eCenter can also be found at:

<http://www.sprint.com/business/ecenter/ecenterTour.html>

- b. eCenter will support the requirements except for fraud notification. Fraud notification takes place when a fraud expert contacts the State ATC or user directly via phone.
- c. Account changes may be made using eCenter. Termination acknowledgment can be provided by your Public Sector Account Team. Account changes may be viewed online instantly. The State may view a list of all active units on the site as well.



21. Product Web Catalog Requirements

- a. The Telecom Manager eCenter is provided as the online account management tool and Custom Aisles for Sprint services. The State may place orders through Custom Aisles.
- b. The State will provide hot links to Sprint's Product Web Catalog via the State's DMB Purchasing Portal.
- c. eCenter will provide a list of products, support and user guides. Sprint's Public Sector Account Team will provide additional training on products and services as required.
- d. Through Custom Aisles, State ATCs will have access to a private, online marketplace, enabling them to review wireless services at the State's discounted Contract prices. The Custom Aisles website displays special promotions and contracted discount prices.
- e. The web-based catalog will provide the following information:
 - i. Rate plan, phone and accessory pricing, reflective of contracted discounts or special offers
 - ◆ Secure environment promoted only to targeted customers
 - ◆ Tailored promotional images and text
 - ◆ Options for both individual liable and/or corporate liable shopping
 - ◆ New activation and account add-on support
 - ii. Updated local, national and international coverage maps. Coverage maps may be accessed at www.sprint.com.
 - iii. Custom Aisles will provide ordering instructions, for employees authorized to purchase and/or make changes to the state-liable account(s) as identified through their usernames and passwords.
 - iv. There is a support tab on the eCenter site to access Sprint's Public Sector Customer Care organization which provides customers with one source for all service, technical, operation and billing support 24 hours a day, seven days a week at 1-800-390-7545 for the State's wireless questions and issues.
 - v. The support tab will allow employees to contact our Customer Care via email and will also provide a contact phone number.
 - vi. Reserved
 - vii. Detailed equipment and accessory descriptions; and pictures for some units will be published on the Custom Aisle.
 - viii. Reserved.
 - ix. Reserved.
 - x. Review and approval of the Product Web Catalog will be the responsibility of the MDIT Program Manager.
- f. The category-specific sections of the Catalog will be updated within five business days specific to product and price information.
 - i. Pricing provided on the Custom Aisles website is updated automatically to reflect current promotional pricing (decreases).
 - ii. Contracted pricing will not be changed for the term of the contract unless done so through an appropriate amendment to the contract.
 - iii. Any price increase to the Product Web Catalog must be reviewed and approved through a Contract Change Notice issued by DMB Purchasing Operations prior to posting via the Custom Aisles.
 - iv. When products reach their end of life, a similar product will be offered as an alternative at the same or lower pricing. Equipment that has reached end of life will be removed from Custom Aisles automatically.
 - v. Reserved. Vi. Reserved.
- g. Reserved.
- h. Reserved.

22. Delivery

a. Delivery Cost

Sprint will not charge the state for delivery fees. Risk of loss to the Products passes to Customer upon arrival (FOB destination).

**b. Emergency Deliveries**

Sprint will coordinate with the local representatives to insure that the user will receive a quick resolution. Sprint Stores are available around the country for same-day fulfillment depending upon available inventory.

c. Delivery Location

Sprint will deliver to the address specified on the order.

d. Shipped Equipment

Sprint will provide a packing slip with the following:

- i. ATC's name, section or unit name, location (street address, building, floor, and room number)
- ii. Designated contact/name of ordering person (if different than ATC)
- iii. Billing address
- iv. Ship-to address
- v. Sprint Order number
- vi. Agency order number (purchase order #)
- vii. Description of items
- viii. Additional information required by the State as mutually agreed.
- ix. Packages containing multiple products shall be clearly labeled as such.

e. Activation for New Subscribers

For new subscribers, Sprint will ship equipment activated, registered, and ready to use, unless specified otherwise.

f. Damaged and Defective Items

- i. Sprint will provide credit and/or replacement for freight-damaged or defective items and replace the items within 48 hours of notification by the ATC and making the damaged equipment available to Sprint for pick-up.
- ii. Sprint will be responsible for the credit and/or replacement of any freight-damaged or defective products at time of delivery.
- iii. Sprint will not require the ATC to deal directly with the manufacturer.
All newly purchased equipment includes a return label for return of damaged equipment within 30 days.
- iii. Latent defects will be covered through the manufacturer's equipment warranty.

g. Items Shipped in Error

- i. The ATC will notify Sprint of any errors in shipment.
- ii. Sprint will accept returns of items shipped in error, and credit the procuring agency for the full amount.
- iii. Sprint will provide the agency with a prepaid and self-addressed label suitable for the return of the item in the original container.

h. Restocking Policy

- i. Sprint will not impose a restocking fee on the State if an item is returned within 30 days due to damage, incorrect product shipped, or an order entry error by Sprint's customer service representative.
- ii. Sprint will not impose a restocking fee for inventory that is returned, but exchanged for other inventory.

i. Delivery Time Minimum Requirements

Sprint will complete delivery of in-stock products within a maximum of three (3) business days after order acknowledgement.



j. **On-Time Delivery**

Sprint will complete delivery of in-stock products within a maximum of three (3) business days after order acknowledgement.

23. State's Designated Program Manager Reporting

a. **Program Manager Reporting**

Sprint is providing the Telecom Manager eCenter for account management, which is a single entry point to access several account management tools to assist ATCs with self service account activities and transactions. Sprint will also provide SmartCD+, which is a reporting tool for Nextel accounts. WirelessMgr and eBilling & Analysis, are two account management tools that provide reporting through the Telecom Manager eCenter.

The Public Sector Account Team will provide ad hoc reports upon requests. The tools described below will provide information for state-liable devices only:

Smart CD+ for Nextel – The SmartCD+ allows you to easily view, print and fax your Nextel account information and manipulate the data for reporting purposes. With SmartCD+'s simple navigation, financial analysts can review invoices quickly and efficiently, and analyze wireless service usage and trends. Charges related to equipment purchases, Sprint Retail Store transactions, and monthly bills can be paid using the embedded Remittance Slip. At the end of each billing cycle, all Nextel account information will be loaded into an MS Access Database, burned onto the SmartCD+ (CD-ROM) and shipped to the ATC.

The SmartCD+ includes granular reports that capture detailed information on all calls made, both cellular and Nextel Walkie-Talkie, by each unit on the account. Reports include:

- ◆ Discounts and adjustments
- ◆ Monthly access and usage summaries
- ◆ Usage by account group or individual
- ◆ Equipment purchases
- ◆ Call details

Reports are exportable to Excel for manipulation by the customer's account administrator. The customer can also use SmartCD+ to create customized reports. Each SmartCD+ includes a full suite of printable user documentation (requires Adobe Reader).

WirelessMgr for Nextel

WirelessMgr is a secure Internet-based portal, available online free of charge. It was developed to provide better control over Nextel wireless assets. WirelessMgr is available through the use of the Telecom Manager eCenter. With WirelessMgr current and past 12 month cumulative Nextel billing information can be viewed, new Nextel equipment can be ordered/activated, and account information updated. Call detail information can be downloaded from WirelessMgr into a Microsoft Office format.

eBilling & Analysis for Sprint PCS

Sprint PCS eBilling & Analysis is a Web-based management tool that allows easy analysis of nationwide wireless usage and monitoring of State sponsored lines on a monthly basis. Sprint PCS eBilling & Analysis is available through the Telecom Manager eCenter. Through the eCenter, the ATC or telecommunications manager can:

- ◆ Access billing information securely via user authentication and 128-bit encryption.
- ◆ Monitor both voice and data usage.
- ◆ View, edit, and report on invoicing data.

PCS eBilling & Analysis will enable the State to access the most recent three months of detailed account information and the most recent 12 months of summary account information.

Sprint PCS eBilling & Analysis contains four types of users:

- ◆ **Super User** – The eBilling & Analysis Super User is an eBilling & Analysis Manager who has full access to the State's usage information. The State's



Super User is designated when you sign up for eBilling & Analysis. The ATC or program manager will serve as the Super User. The Super User has the ability to create, edit or delete Manager profiles assigned at any reporting level of the eBilling & Analysis application and has access to the remittance summary. The Super User can also access call detail information for all users and can access all reports.

♦ **Editing Manager** – Each eBilling & Analysis Editing Manager is able to view his or her account and access the call detail information of other Managers at or below the same reporting level in the eBilling & Analysis application. An Editing Manager is also able to create, edit, or delete the profiles of other Managers at or below the same reporting level in the eBilling & Analysis application. Multiple Editing Managers can be assigned to a particular reporting level, including the root node. In addition, Editing Managers have access to the remittance summary and edit / submit functionality for SSIT values at their reporting level and below. Multiple Editing Managers can be assigned to a single reporting level.

♦ **Reporting Manager** – Each eBilling & Analysis Reporting Manager is able to view his or her account and access the call detail information of other Managers at or below the same reporting level in the eBilling & Analysis application. A Reporting Manager also can run reports that include information on Subscribers at or below the same reporting level and can update his/her password. However, a Reporting Manager cannot create, edit, or delete the profiles or permissions of other Managers. Multiple Reporting Managers can be assigned to a single reporting level.

♦ **Subscriber** – Each eBilling & Analysis Subscriber is able to view the summary information and call detail for only his or her data. A Subscriber will log on by clicking "Log On" in the **Manage My Account** section of the Sprint.com Web site at www.sprint.com and entering the User ID and Subscriber Password assigned to them. After logging on the Subscriber should then click the **My Invoice** tab to access their subscription level information.

b. Report Filter for Confidentiality Protection

The State will not receive reports with employee-liable account information. As the employee will be liable for their personal units that they purchase, we are not at liberty to divulge their account information.

c. Overall Service Report

i. **Monthly overall statewide service report at the subscriber account level.** The Public Sector Account Team will continue to provide the same reports that are currently being provided to the State. In addition, the State will utilize the Telecom Manager eCenter to run reports at any time even at the subscriber level. Ad hoc reports will be provided upon request. Depending on the size and level of complexity of the ad hoc report requests, some reports may take longer to turn around than others.

ii. **Summary reports at the agency and state level.** See above.

iii. **Reports submitted to the State's Designated Program Manager every month by the 15th day following the end of the month.** See above.

d. Overall Equipment Sales Report

Monthly statewide and agency level summaries of wireless equipment (including handsets, handheld devices, accessories, etc.) purchase orders. Sprint will provide the Program Manager with monthly statewide and agency level equipment purchase summaries as required. Reports will be submitted to the State's Designated Program Manager or the appropriate ATC, every month by the 15th day following the end of the month. These reports shall be provided at no cost to the state.

24. Agency Reporting Requirements

a. Format of Agency Reports

Reports shall reflect the Agency's usage under the contract for the respective month. All reports shall be provided in electronic format available by email, CD, DVD, ftp, etc., and compatible with Microsoft Excel 2000



and Access 2000, with hardcopies available upon request at no extra charge. The Contractor shall submit the following management reports to the State's Designated Program Manager, and to each ATC as requested:

i. Wireless Services Optimization Reports - a quarterly optimization report for each wireless service subscriber.

1. Optimization reports are designed to ensure that each subscriber uses the most appropriate plan, including identifying subscribers that may be consistently incurring overage charges, and therefore should move to a higher plan, or subscribers consistently under-utilizing a plan, and therefore should move to a lower plan.
 - The Public Sector Account Team will provide rate plan recommendations quarterly based on optimization data.
 - When the Public Sector Account Team provides rate plan recommendations, they will consider all plans guaranteed in the contract as well as promotional rate plans to ensure the most cost effective plan is chosen.
 - Months when a user is not active will not be considered in the recommendation.
 - The State may change rate plans at anytime without facing penalty fees.
2. **A 'Zero Usage' report will be provided showing any subscribers who have 4 or more months of non-use.** Sprint will provide zero usage reports quarterly to the State's Designated Program Manager, and to each ATC as requested.
3. **Report timing - optimization reports will be submitted in electronic and/or hardcopy formats on a quarterly basis, by the 15th day of the first month of the new quarter.** These reports may be obtained at as noted above or by requesting from Paul Knickelbein as needed.
 - ii. Voice and Combined Voice/PTT/Push-To-Talk Service Usage Report Contractor must provide voice and combined voice/PTT-related usage reports upon request.
 - iii. Data Service Usage Report
Contractor must provide data-related usage reports upon request.
 - iv. Individual Subscriber Usage Reports
The Contractor will provide a courtesy copy (electronic or paper format, as specified by the ATC) of each state business subscriber's usage on a monthly basis to the subscriber or the ATC, upon request.
Subscribers' usage reports must include full itemization of call details (such as the information on the Contractor's standard bill for consumer accounts) to enable verification of usage, including: (1) call date, call number, call length, call time, and (2) plan cost, per minute charges, overage cost, additional features charges and other fees, etc.

The Public Sector Account Team will continue to provide monthly reports. Sprint also recommends using the Telecom Manager eCenter for account management, which is a single entry point to access several account management tools to assist telecom managers with self service account activities and transactions. The agencies will have the same reporting tools available to them as does the State. The Public Sector Account Team will provide ad hoc reports upon request. Reports previously provided contain Monthly Charges and Adjustments, Billing Account Number (BAN) information, Account Charges, Department information, Department Account Code (DAC) information, and Subscriber information.

25. Privacy

- a. Sprint will safeguard subscriber names and information and agrees not to share or sell this information to others, especially for the purposes of marketing, without explicit consent from the State.

Detailed information about Sprint's Customer Privacy Policy can be viewed at:

www.sprint.com/legal/privacy.html



b. “National Do Not Call Registry”.

Cell phone owners can sign up for the Do No Call List by phone or using the Internet. Signing up for the do not call list should be effective within 90 days of signup date, and is good for 5 years. At the end of five years, it will be necessary to register again.

To sign up for the cell phone Do Not Call list by telephone, call 888-382-1222. The call must be made from the actual cell phone to be registered - the listing will be accepted only if the calling number matches the registered number.

To sign up for the cell phone Do Not Call list on the Web, go to www.donotcall.gov and follow the instructions. Registering can prevent most unwanted telemarketing calls. If you receive calls after the 90-day waiting period, keep track of who called and report them to the “Do Not Call” website.

26. Transition

a. **Transition Support**

The Contractor will provide support to each State Agency to facilitate moving subscribers onto the new contract, including service plans and equipment changes as needed.

b. **Implementation Plan**

i. Immediately upon contract award or the effective date of the Contract, Sprint will begin implementation of the contract, and within seven (7) business days will finalize with the State’s Designated Program Manager the detailed implementation plan.

c. **Transition Support for New Subscribers**

The State may contact the Wireless Field Specialist, Public Sector Representative or Public Sector Account Manager for questions during and after transition.

e. **Transition Support for Subscriber from Different Service Provider**

Subscribers who are transitioned from a different service shall be treated as new subscribers and will qualify for all terms and conditions included in the executed contract. All new subscribers will be able to benefit from any free promotional handsets as well as the credit offered by the Public Sector Account Team for new activations as described in the Pricing Section. Equipment from other carriers will not operate on our networks.

f. **Number Portability Process**

The State will be required to provide the following information to begin the process of porting numbers to Sprint service. Generally, this information appears on an invoice.

- ◆ Billing Name and Address
- ◆ Account Number or Social Security Number
- ◆ Phone Number you wish to port
- ◆ Password (if applicable)

The information provided needs to be exact. Any deviations from the account information (i.e. spelling errors, abbreviations, etc.) may result in delays in the porting process.

Once the request has been submitted to transfer number(s) to Sprint, the information is sent electronically to the carrier who currently carries the phone numbers. That carrier will validate billing, or other appropriate information, as well as the phone numbers. If any of this information does not match the current listing with that carrier, they may send a request back to Sprint that the phone number cannot be released due to a discrepancy. Sprint will then contact the State to clarify or correct any issues. A work order number is not issued during the porting process, but the Public Sector Account Team can answer questions during the porting process. Porting numbers to Sprint will also require new devices. Port orders will be timed so wireless devices will arrive before old devices have been deactivated.



Some carriers are providing a number guarding functionality which may force you to call your current carrier to get your number released. Sprint does not subscribe to that function and will not impede your ability to choose the carrier you feel is right for you.

g. Transition Support for Existing Subscribers

1. Contractor shall convert all existing State subscribers to the new contract terms, unless otherwise specified by the ATC.

Sprint will provide a list of the State's current Sprint subscribers with plan details by department as requested.

2. Equipment from other carriers will not operate on Sprint's networks.
3. The Public Sector Account Team will provide reports with plan recommendations for existing subscribers within 24-48 hours of request.

h. Transition Costs for Existing Subscribers

Sprint will make new contract pricing immediately available without imposing any fees (e.g., change fees) for existing subscribers that transition. Sprint shall identify the billing cycle that the new rates and the cycle retroactive adjustments will appear.

26. Training

Sprint will work cooperatively with the State to determine training needs and provide materials and resources as required to meet end user and agency needs at no cost to the State.

27. Disengagement Strategies

- a. Sprint will provide complete and timely cooperation in disengaging the relationship in the event that the Contract expires or terminates.
- b. Sprint will provide requested customer information directly to the State or its agencies. The State or its agencies may then provide the information to other parties as it sees fit.
- c. Sprint agrees to work with the State to establish a satisfactory disengagement plan should the State decide to terminate service.

28. Additional Support and Services

If Sprint offers promotional rate plans or promotional pricing on equipment that is more aggressive than current prices, the State may take advantage of those prices, which would result in a reduction in State costs. Sprint does not foresee any reason why there would be a change in control of costs for the State.

1.2 Roles and Responsibilities

1.201 SPRINT STAFF, ROLES, AND RESPONSIBILITIES

1. Sprint will assign an account specialist (Contract Administrator or CSR) to serve as the State's single point of contact for all orders, issues, and questions surrounding State business. A Public Sector Account Executive, Public Sector Account Manager and account executives, have been identified and assigned by Sprint to work with the State to manage the day to day Contract activities for State accounts.

Sprint is committed to customer satisfaction and recognizes the importance of reliable, qualified and experienced account teams servicing its customers. Sprint uses good faith efforts to ensure that its account team meets such high standards. In the event that it becomes necessary for Sprint to change the membership of Customer's account team, Sprint will notify Customer of all significant changes as far in advance as possible. Sprint will make commercially reasonable efforts to consider the concerns of Customer in Sprint's decisions regarding replacement personnel. The qualifications of replacement personnel shall be at least equal to the replaced personnel.



Sprint has identified the key personnel who will be supporting the State in response to the Escalation requirement (see project organizational chart attached **Exhibit B**). Service Support and Administration; Escalation Procedures; identifying each level of escalation up to and including corporate, with the associated contact person and their pertinent contact information is also provide delineated. A member of the Public Sector Account Team will be present for any requested meetings relative to escalation.

2. At least one Customer Service Representative will be available during the State's operating hours. The Public Sector Account Team may be contacted during regular business hours. Sprint's Public Sector Customer Care organization is dedicated to providing customers with one source for all service, technical, operation and billing support. The Customer Care Center is available 24 hours a day, seven days a week at 1-800-390-7545 for the State's wireless questions and issues.
3. All service representatives will have on-line access to information to provide immediate response to inquiries concerning the status of orders and requests for maintenance services. The Public Sector Account Team will make every endeavor to provide the status of orders and maintenance services in a timely manner. Our Public Sector Customer Care organization can provide this information at any time. Additionally, the State may access the Telecom Manager eCenter for this information.
4. The Public Sector Account Team will be available via phone, fax or email. Customer Care representatives are available via phone or email.
5. The Sprint assigned Public Sector Account Manager (PSAM), will be responsible for the Project Manager duties below:
 - Manage all defined Sprint responsibilities in this Scope of Services.
 - Manage Sprint's sub-contractors , if any
 - Develop the transition/implementation plan and schedule, and update as needed
 - Serve as the point person for all transition/implementation issues
 - Assess and report on services
 - Escalate issues, risks, and other concerns
 - Proactively propose/suggest options and alternatives for consideration
 - Monitoring billing for accuracy

1.202 STATE STAFF, ROLES, AND RESPONSIBILITIES

The Michigan Dept. of Information Technology, Telecommunications Division is responsible for the administration of the services within the contract. MDIT shall provide a Program Manager. The MDIT Program Manager will serve as a contact for all issues pertaining to the execution of services under the contract. The State's Program Manager will provide the following services:

- Provide State facilities, as needed
- Coordinate the State resources necessary for the project
- Facilitate coordination between various external contractors.
- Facilitate communication between different State departments/divisions
- Escalation of outstanding/high priority issues
- Conducting regular and ongoing review of the services
- Documentation and archiving of all reports
- Arrange, schedule and facilitate State staff attendance at all project meetings

1.203 OTHER ROLES AND RESPONSIBILITIES

The State Agency Telecommunication Coordinators may provide additional information and requirements needed for reporting and ordering of equipment and services.

1.3 Project Plan

PROJECT PLAN MANAGEMENT

1. Orientation Meeting

- a. Upon execution of the Contract, Sprint will attend an orientation meeting to discuss the content and procedures of the Contract.
- b. The meeting will be held in Lansing, Michigan, at a date and time mutually acceptable to MDIT and Sprint.
 - i. MDIT shall bear no cost for the time and travel of Sprint for attendance at the meeting.



2. Performance Review Meetings

- a. Sprint will attend periodic meetings to review Sprint's performance under the Contract.
- b. The meetings will be held in Lansing, Michigan, or by teleconference, at a date and time mutually acceptable to MDIT and Sprint.
 - i. MDIT shall bear no cost for the time and travel of Sprint for attendance at the meeting.

1.302 REPORTS

Sprint will work with MDIT and MDMB to develop and deliver any additional reports that may be requested both for the State and the MDIT and MDMB agencies individually.

1.4 Project Management

1.401 ISSUE MANAGEMENT

An issue is an identified event that if not addressed may affect schedule, scope, quality, or budget.

The State will contact the Public Sector Account Team for resolution of any issues. The Account Team will work with the State to track and provide status of any issues. The Account Team will be responsible for email notifications and updates.

1.402 RISK MANAGEMENT

A risk is an unknown circumstance or event that, if it occurs, may have a positive or negative impact on the Contract. Risk management generally involves (1) identification of the risk, (2) assigning a level of priority based on the probability of occurrence and impact to the project, (3) definition of mitigation strategies, and (4) monitoring of risk and mitigation strategy.

The Public Sector Account Team will work with the state to identify and address any risks associated with this Contract in a timely manner, and according to the steps laid out in the approved implementation plan and the representatives identified in the attached organizational chart.

1.403 CHANGE MANAGEMENT

Change management is defined as the process to communicate, assess, monitor, and control all changes to system resources and processes. The State also employs change management in its administration of the Contract. **See section 2.106 for details.**

1.5 Acceptance

1.501 CRITERIA

Sprint will ship Products to the delivery location specified in Customer's order. Nonconforming Products not returned to Sprint within 30 days of receipt will be deemed accepted. Customer may reject Products that are visibly damaged or defective on the basis of a sample inspection. Any shipment with visible damage may, at Customer's option, be refused. Sprint will pay all reasonable ground transportation freight charges associated with those returns.

Sprint's return policy is as follows:

Complete, new, and undamaged Products, with original proof of purchase (PO, packing slip, etc.), may be returned to Sprint at Customer's expense within 30 days after purchase (or as provided under the terms and conditions section of this Contract) for a full refund of the original Product purchase price (excluding Service charges, taxes, fees and surcharges). All accessories and hardware that came with the Product in the original box must be returned along with the Product unless otherwise agreed. Customer must also include documentation validating purchase. Customer may call Sprint Customer Care or contact its Sprint Account Representative for a return kit. Sprint cannot exchange Products through Sprint's Internet site. Sprint will credit Customer's account for the original purchase after receipt of the returned Product.



1.502 FINAL ACCEPTANCE

Sprint agrees that Final Acceptance is tied to adequate performance of required Services and delivery of equipment meeting the requirements of this Contract.

1.6 Compensation and Payment

1.601 COMPENSATION AND PAYMENT

B. General Pricing Requirements

1. **Pricing Overview** SEE Exhibit C for all prices, discounts, and details on the rate plans and any regulatory charges for the State.

2. **Rate Plan Recommendations** - Sprint has made rate plan recommendations based on what the Public Sector Account Team believes will be most cost effective for the State. The Account Team will meet with the State to provide a detailed rate plan recommendation.

3. **Taxes** - The State is exempt from all Federal, State and Local taxes. Sprint will recognize and honor all validly and properly issued and executed tax exemption certificates delivered by the State and will not bill the State for any such exempted taxes. Sprint's rates and charges for products and services do not include taxes. The State will pay all applicable taxes for which it does not hold a valid tax exemption, including, but not limited to, sales, use, gross receipts, excise, VAT, property, transaction, or other local, state, national taxes or assessments imposed on or based upon the provision, sale or use of products and services. Notwithstanding any other provision of the Agreement, if the State's jurisdiction requires the State to deduct or withhold separate taxes from any amount due to Contractor, the State must notify Contractor in writing.

A list of additional fees and regulatory charges is included in the Pricing Section.

4. **Activation, Termination, and Cancellation** - Sprint will waive both activation and early termination/cancellation fees or other miscellaneous charges.

5. **Discounts** - Sprint is offering discounts on all of the handsets that are offered to the State (see the Appendix, which details the Equipment and its pricing. Sprint is providing 25% off standard Sprint PCS and Nextel service plans for State liable (State business) devices. Employee-liable accounts will receive 15% off standard Sprint PCS and Nextel service plans.

6. **Current Discounts** - will be honored on all plans that the State has with Sprint at the time of the Contract award.

7. **Rate Plan Changes** - The State may opt to change rate plans at any time without penalty.

8. **Employee-liable accounts** - will receive 15% off standard Sprint PCS and Nextel service plans.

9. **Price Changes** - Sprint will keep the State of Michigan informed of new changes to pricing and equipment that may arise and become addendums to this Contract.

C. For cellular voice services (See Exhibit C)

Charges for 8XX, 211, 311, 411, 511, 611, 711, 811 and 911 prefix calls.

There are no additional charges for dialing toll-free numbers. N11 codes, more formally known as service codes, are used to provide three-digit dialing access to special services. In the U.S., the FCC administers N11 codes. The FCC recognizes 211, 311, 511, 711, 811 and 911 as nationally assigned, but has not disturbed other traditional uses.



The FCC has issued a series of orders setting aside N11 codes for various purposes. Telecommunications carriers (including LEC, CLEC and wireless carriers) are required to implement N11 codes consistent with the FCC orders. State utility commissions often play a role in assigning codes to a particular entity (e.g., assigning 211 to the United Way) and may also instruct telecommunication carriers on how to implement N11 codes within a carrier's network. Generally, the assignee of the code is responsible for obtaining a local or toll-free translation number (or, "point-to" number). Carriers then place the correct translation number in their switch so the incoming N11 dialed number is correctly translated and routed.

With regard to the implementation of N11 codes in the wireless network, Sprint advocates for statewide implementation and the use of just one "point-to" number. Such implementation is easier and less expensive to implement as it can be done at the MSC or switch-level instead of at the cell-site level.

There are no industry guidelines for the assignment of N11 codes.

N11 Codes with Description

- ◆ 211 Community Information and Referral Services
- ◆ 311 Non-Emergency Police and Other Governmental Services
- ◆ 411 Local Directory Assistance: fee is provided in Article 1, Attachment A.
- ◆ 511 Traffic and Transportation Information (US); Available for Reassignment (Canada)
- ◆ 611 Repair Service
- ◆ 711 Telecommunications Relay Service (TRS)
- ◆ 811 Access to One Call Services to Protect Pipeline and Utilities from Excavation Damage (US); Available for Reassignment (Canada)
- ◆ 911 Emergency

Charges for Directory Assistance calls

Sprint Directory Assistance allows the State employees to get information on anything from people, places and phone numbers to restaurants, movies and events. Dialing 411 allows users to find numbers nationwide with no extra charge for call completion. A user can request up to 3 listings for a single surcharge, which is provided in **Exhibit C**

Other helpful Directory Assistance features include (available in most cities and towns):

- ◆ Turn-by-turn directions between any two points
- ◆ Name search associated with a published phone number
- ◆ Business category search for a particular business type
- ◆ Movie titles and show times for a particular local movie theater
- ◆ Information on local attractions, entertainment and sporting events
- ◆ Dinner reservations placed, with call-back within 30 minutes

D. For Push-to-Talk services

(See Exhibit C) Nextel Walkie-Talkie calls are billed in six second increments. Cellular calls are rounded to the nearest minute.

E. For PC Data Cards (See Exhibit C)

F. Payment

Sprint will submit properly itemized invoices to authorized agent for each department named within the order.

G. Invoicing and Payment

1. Format of Service Invoicing

- a. Sprint will provide traditional hard copy invoices.
- b. Sprint is capable of providing invoices electronically including in ASCII format.



Sprint's electronic billing solutions are provided below:

iDEN EDI (Electronic Data Interchange) for Nextel Users

EDI is an electronic billing and payment mechanism, which eliminates the need for paper invoices. It is a computer-to-computer exchange of business documents in a standard format. EDI speeds the invoice and payment processes and reduces operational costs for the customer. If the system is set up to receive and translate EDI files, the iDEN invoice data will automatically be sent from Sprint's billing system to the State's financial application for payment processing. EDI is the best solution for receiving and paying bills if a centralized Accounts Payable department exists, is on a value-added network, and is currently EDI-capable or will be soon.

Benefits of EDI include:

- ◆ Reduced time for document/payment transfer
- ◆ Reduced paper use and storage
- ◆ Increased cash flow
- ◆ Increased accuracy and efficiency
- ◆ Operation cost savings

Data Direct for Nextel Users

Data Direct is another electronic (paperless) billing option for corporate and government customers that have not already implemented EDI. Sprint provides this service at no charge to the customer. Data Direct provides flexible and customizable billing/invoice information to the customer in ASCII text form that can be injected directly into the billing or Accounts Payable system, via e-mail or FTP. With this tool the State can easily distribute billing detail within the organization, re-bill internal customers and analyze call detail records to optimize wireless service usage.

Benefits of Data Direct include:

- ◆ Flexible data format, with customizable invoice elements
- ◆ Does not require the cost commitment of EDI
- ◆ Call detail helps prevent against fraud
- ◆ Invoices can be created at any internal reporting level
- ◆ Data flows directly from Sprint's billing system to the State's financial application
- ◆ Provides paperless invoices

Electronic Bill Transfer & Electronic Data Interchange for Sprint PCS

Sprint PCS Electronic Billing offers another effective way for the State to manage corporate-sponsored lines. This service provides the information needed to track and analyze employees' wireless usage in a convenient electronic format. The information can then be formatted in ways most beneficial to meet business requirements.

There are two types of Sprint PCS Electronic Billing:

- ◆ Electronic Bill Transfer (EBT), which provides raw, static data in a tilde-delimited format.
- ◆ Electronic Data Interchange (EDI), which provides raw, static data in an 811 format.

The Sprint PCS Electronic Billing team will work with the State's IT department to determine the proper file format - EBT or EDI. The state will also receive an electronic user's guide with a mapping tool which shows how to work with the data.

Timely Data Delivery

EDI provides 30 days of billing data, while EBT provides 60 days of billing data. Data from both types is organized by fields, such as employee ID number, cost center, and business unit, and can be delivered electronically to the State within 10 days of the invoice cycle or billing date.

- c. Sprint will provide invoices in Electronic format compatible with Microsoft Excel 2000 at a minimum, on physical media (CD, DVD, etc.) at no cost.



Smart CD+ for Nextel

Sprint provides the SmartCD+ tool for reporting and Nextel account management. The SmartCD+ allows one to view, print and fax Nextel account information and manipulate the data for reporting purposes. Financial analysts can review invoices, analyze wireless service usage, trends, charges related to equipment purchases, Sprint Retail Store transactions, and even pay monthly bills with the embedded Remittance Slip.

At the end of each billing cycle, all Nextel account information is loaded into an MS Access Database, burned onto the SmartCD+ (CDROM) and shipped to the ATC and/or State Program Manager. .

The SmartCD+ includes granular reports that capture detailed information on all calls made, both cellular and Nextel Walkie-Talkie, by each unit on the account.

Reports include:

- ◆ .Discounts and adjustments
- ◆ .Monthly access and usage summaries
- ◆ .Usage by account group or individual
- ◆ .Equipment purchases
- ◆ .Call details

Reports are exportable to Excel for manipulation by the customer's account administrator. The customer can also use SmartCD+ to create customized reports. Each SmartCD+ includes a full suite of printable user documentation (requires Adobe Reader).

WirelessMgr for Nextel

WirelessMgr is a secure Internet-based portal, available online, free of charge. It was developed to provide better control over .Nextel wireless assets. WirelessMgr is available through the use of the Telecom Manager eCenter. With WirelessMgr you can view all current and past 12 month cumulative Nextel billing information, order or activate new Nextel equipment, and update account information. Call detail information can be downloaded from WirelessMgr into a Microsoft Office format.

eBilling & Analysis for Sprint PCS

Sprint PCS eBilling & Analysis is a Web-based management tool that allows one to analyze nationwide wireless usage and monitor State-sponsored lines on a monthly basis. Sprint PCS eBilling & Analysis is available through the Telecom Manager eCenter.

Through the eCenter, telecommunications managers can:

- ◆ access billing information securely via user authentication and 128-bit encryption.
- ◆ monitor both voice and data usage.
- ◆ view, edit, and report on invoicing data.

PCS eBilling & Analysis enables customers to access their most recent three months of detailed account information and their most recent 12 months of summary account information.

2. Service Invoice Requirements

Contractor shall provide the ability for the State's Program Manager and ATCs to invoice accounts separately, or by grouping specified accounts into a master/parent invoice.

Sprint offers the following billing hierarchies to address this requirement:

Nextel Billing Hierarchy

Based on the State's preferences, Sprint will send bills to individual subscribers, their supervisors, or to the appropriate department heads. The system allows for up to eleven levels of account hierarchy, which can mimic the organizational structure of the account. Hierarchy levels include: Root (parent agency or overall account name), Division, Region, Line of Business, Cost Center, Billing Account Number (BAN), Department, Branch, Sub-branch, Department Accounting Code (DAC), and



Subscriber. Subscriber information can also be broken down by handset dependent information and information specific only to the subscriber, regardless of which handset he/she may be using.

eBilling & Analysis Hierarchy for Sprint PCS

The Sprint PCS eBilling & Analysis application features a hierarchy that enables Super Users and Managers to access usage information at appropriate reporting levels, depending upon his or her user classification. The hierarchy structure is displayed along the left side of eBilling & Analysis screens and shows the reporting levels of the wireless Accounts within your organization. Liable accounts are denoted by "\$" preceding each account name. Grouping nodes are denoted by "" and are defined as any non-liable node within the hierarchy. These nodes are used to group liable accounts or subscriptions for reporting purposes. Non-liable nodes used to group subscribers will not display account level charges. The hierarchy organizes account users into Super User, Manager, and Subscriber nodes at each reporting level. The hierarchy enables Super Users and Managers to view their own account information and the account information of those employees below them in the hierarchy. A Super User can access account information on all wireless users in the organization. A Manager can access account information on all Subscribers below his or her reporting level in the hierarchy. A subscriber can access only his or her own subscription information by clicking the Log On button on the home page of the web site.

Additionally, one can view the liable account number by placing the mouse over the account line within the eBilling & Analysis hierarchy. The account number will appear in the lower left-hand corner of the browser. This hierarchy makes it easy for Super Users and Managers to track wireless usage among individual employees or groups of employees, and it ensures access to users' calling activity is restricted to authorized individuals. The reporting levels of the hierarchy are expandable and collapsible using the plus and minus icons next to each node.

3. Individual Account Service Invoicing

a. Each invoice will contain the following items:

- i. Contractor name, address, and telephone number
- ii. Invoice Number
- iii. Invoice Period / invoice date
- iv. Contract Number
- v. Vendor's Remittance Address
- vi. Account Number
- vii. Cost Center - alphanumeric field designated by the ATC for internal audit control, if used
- viii. Agency Index Code - five-digit number designated by the State
- ix. Itemized Charges – Monthly Service, Feature, Airtime, Long Distance, Roaming, Data, etc.
- x. Payment Remittance Address
- xi. State Provided Purchase Order Number
- xii. Order Date
- xiii. Description and quantity of each line item purchased
Itemized Usage – Plan minutes used, overage minutes used, text messages sent, etc.
- xv. Adjustments
- xvi. Total Service Charges
- xvii. Total Charges
- xviii. Totals - total for each cost center (if multiples are used on the same order), and total charges for ordering organization. The bottom of each invoice shall have a total for all orders, a total for all credits, and amount due
- xix. Contractor / manufacturer catalog / reference number
The invoice will state the model of equipment purchased.
- xx. Contractor's list price See **Exhibit C**
The invoice will state the price the State has paid for the equipment or service plan.



- xxi. Appropriate State percentage discount
- xxii. State net price
- xxiii. Any additional discounts offered for volume orders, prompt payment, or other Contractor offered incentives. There are no other discounts for volume orders or prompt payment. Any credits will be noted on the invoice.
- xxiv. Additional information required by an individual agency or the State

b. Invoicing must be provided in detail by:

- i. All incoming and outgoing calls
 - All outgoing calls will show the date, time and length of call as well as the number dialed.
 - All incoming calls will show the date, time and length of the call.
- ii. Call, date, and time
- iii. Minutes
- iv. Long distance
- v. Text messaging
- vi. Rate per unit
- vii. Extended total of each line item invoiced
- viii. All discounts must be shown as separate line items
- ix. Any approved fees or surcharges must be identified and listed separately
- x. All subcontracted services must be invoiced separately
 - 1. Sprint has read, understands and will comply. However, if the State should utilize any of our Sprint-billed third party solutions, the State will be billed directly from Sprint.

4. Equipment Invoice Requirements

Sprint will provide equipment invoices within thirty (30) days of ordered equipment. Equipment invoices will contain only equipment ordered by the ATC or State and will be separate from the service invoice.

a. Each invoice must contain a minimum of the following elements:

- i. Contract Number
- ii. Contractor Name
- iii. Vendor's Remittance Address
- iv. Agency Order Number/Purchase Order #
- iv. Contractor Order Number Agency Billing Code
- vi. Cost Center
- vii. Account Number
- ix. Order Date
- x. Unit Product Details – Manufacturer, model number, description, etc.
- xi. Product Cost Details – A detailed breakdown of product cost by line-item: product published cost, product discount, product cost to State, etc.
- xii. A separate line-item for tax and delivery charges
- xiii. Quantity
- xiv. Person Placing Order
 - An order summary will be sent to the person placing an order; however, the invoice will not depict the name of each person who places an order.
- xv. Method of Ordering
 - The order summary will provide this information.
- xvi. Ship to Address
 - The order summary will provide this information.
- xvii. Additional information required by the State
 - We require further explanation of "additional information" before Sprint can comply.



b. **Credit Card**

- i. Contractor shall only accept Credit Card purchases from an ATC. Sprint accepts all major credit card payments for all wireless and wireline services offered.
- ii. A sales receipt itemizing purchased goods must be received by the cardholder within five (5) business days. An order summary is sent to the purchaser via email typically within just a few hours of the order receipt.

c. **Invoice Recordkeeping**

Contractor shall maintain detailed records pertaining to the cost of services rendered and products delivered for a period of three years from the date of acceptance of each purchase order.

The State may access historical billing information through the Telecom Manager eCenter for up to 12 months or request copies. Historical data is not available through our electronic billing products for the time preceding provisioning of the product. If historical data is needed, or the State does not use one of our electronic billing products, Sprint Customer Solutions can usually provide up to six months of historical data within seven days of the request. All invoice data going forward is stored in a data warehouse after six months. This data will be stored for seven years from the invoice date. Sprint has the ability to view and print invoices from this warehouse.

ii. These records shall be subject to inspection by the purchasing entity and appropriate governmental authorities within the purchasing entity's geographical location.

iii. The purchasing entity shall have the right to audit billings either before or after payment.

The State or entity may review invoices at any time. Should the State or entity find any discrepancies, Sprint would like to resolve any problems as soon as possible with your account.

Any billing issues that may arise will be handled at the local support level. Sales Support Representatives are assigned to your account for local support. Any billing issues will be reported first to the Sales Support Representative and escalated as needed to the Account Representative for resolution.

If the subscriber or the telecom management disputes a charge in good faith, the state may withhold payment of that charge so long as timely payment of all undisputed charges are made; and within 30 days of the due date, provides Sprint with a written explanation of the reasons for the dispute of the charge. Credits for possible billing errors will be addressed as soon as the billing error is confirmed by Customer Solutions or by the designated Account Team. Disputed charges for dropped calls can be credited to the state's account by dialing *2 or by going to Sprint's website at www.sprint.com. The credit is then listed in the Miscellaneous Credit portion of the invoice.

d. **Service & Equipment Credits**

Credits will be listed on invoices within 1-2 billing cycles.

e. **Rebates**

Sprint will apply all rebates to the State as credits immediately.

f. **Invoicing Dispute Resolution**

- i. Sprint will respond to invoicing disputes within 3 days of notice and provide a plan for resolution within 5 days of notice to the State's Designated Contract Administrator and/or ATCs.
- ii. The Sprint team will also provide status updates on resolution as requested.

**6. Other Pricing**

Once the contract is executed, the terms, conditions and rates agreed upon will remain fixed for the term of the agreement. The State may take advantage of any promotional pricing that is offered during the term of the contract. Should the State request rate plan analyses in order to ensure that the State's users are subscribed to the most cost effective rate plans, your Public Sector Account Team can assist with this request and will make rate plan recommendations to meet your usage needs.



Appendix A List of Michigan Counties

Michigan Counties List

1 Alcona	51 Manistee
2 Alger	52 Marquette
3 Allegan	53 Mason
4 Alpena	54 Mecosta
5 Antrim	55 Menominee
6 Arenac	56 Midland
7 Baraga	57 Missaukee
8 Barry	58 Monroe
9 Bay	59 Montcalm
10 Benzie	60 Montmorency
11 Berrien	61 Muskegon
12 Branch	62 Newaygo
13 Calhoun	63 Oakland
14 Cass	64 Oceana
15 Charlevoix	65 Ogemaw
16 Cheboygan	66 Ontonagon
17 Chippewa	67 Osceola
18 Clare	68 Oscoda
19 Clinton	69 Otsego
20 Crawford	70 Ottawa
21 Delta	71 Presque Isle
22 Dickinson	72 Roscommon
23 Eaton	73 Saginaw
24 Emmet	74 Sanilac
25 Genesee	75 Schoolcraft
26 Gladwin	76 Shiawassee
27 Gogebic	77 St. Clair
28 Grand Traverse	78 St. Joseph
29 Gratiot	79 Tuscola
30 Hillsdale	80 Van Buren
31 Houghton	81 Washtenaw
32 Huron	82 Wayne
33 Ingham	83 Wexford
34 Ionia	
35 Iosco	
36 Iron	
37 Isabella	
38 Jackson	
39 Kalamazoo	
40 Kalkaska	
41 Kent	
42 Keweenaw	
43 Lake	
44 Lapeer	
45 Leelanau	
46 Lenawee	
47 Livingston	
48 Luce	
49 Mackinac	
50 Macomb	



Appendix B Glossary of Terms

The following words and phrases, when used in the Contract, shall have the indicated meanings. (Terms capitalized within a particular definition are defined elsewhere within the Contract.)

“AFFILIATE” shall mean any entity, employees, directors, partners, joint venture participants, parent corporations, subsidiaries, or any other person that, directly or indirectly, controls, is controlled by, or is under common control with Sprint or Qualified Provider, whether through ownership of more than fifty (50%) of the voting securities, by contract, managing authority or otherwise.

“AGENCY” or (**“AGENCIES”**) shall mean a tax supported public entity (or entities) empowered to expend public funds to purchase Deliverables and Services from the Contract.

“AGREEMENT” shall have the same meaning as “Contract” and the terms shall be used interchangeably.

“AMPS” shall mean Advanced Mobile Phone Service.

“ANSI” shall mean American National Standards Institute.

“ATC” shall mean the State’s designated Agency Telecom Coordinator(s).

“BID” shall mean an offer made in response to the CONTRACT to perform a contract for work and labor describer in the CONTRACT in accordance with the terms and conditions provided in the Contract.

“BIDDER” shall mean a supplier who submits a Bid to the State in response to the CONTRACT.

“BUSINESS DAY” shall mean 8:00 a.m. to 5:00 p.m. Eastern Standard Time, Monday through Friday, excluding State holidays.

“CD” shall mean Compact Disc.

“COMMERCIAL SOFTWARE” shall mean Software developed or regularly used that: (i) has been sold, leased, or licensed to the general public; (ii) has been offered for sale, lease or license to the general public; (iii) has not been offered, sold, leased, or licensed to the general public but will be available for commercial sale, lease, or license in time to satisfy the delivery requirements of the contract; or (iv) satisfies a criterion expressed in (i), (ii) or (iii) above and would require only minor modifications to meet the requirements of the Contract.

“CONTRACT” shall mean the State of Michigan Standard Agreement, the SOW and the Proposal, together with all attachments thereto (including General Provisions), documents incorporated therein by reference, and all regulatory filings made pursuant thereto for the applicable Services. The term “Contract” shall have the same meaning as “Agreement” and the term shall be used interchangeably.

“SPRINT” shall mean the entity awarded this Contract, and all of its Affiliates providing Deliverables and/or Services under the Contract.

“CONVERGED SERVICES” shall mean voice, video, and data services that run over a converged network. Includes advanced data and information services and application such as IP-based voice, integrated messaging, advanced data and information services and applications such as IP-based voice, integrated messaging, web-based conference calling, voice enabled instant messaging, Enhanced Class features – features that enhance productivity and performance such as selective call waiting, group ring, and find-me, follow-me etc.



“CONVERGENCE” shall mean the definition of network architecture that allows for voice, video, and data communications to run over a single (converged) network.

“CPE” or **“CUSTOMER PREMISE EQUIPMENT”** shall mean customer owned telecommunications Equipment located at a customer location.

“CUSTOMER” shall mean an Agency that is purchasing goods and services from the Contract.

“DATA PROCESSING SYSTEM (SYSTEM)” shall mean the total complement of Sprint-furnished Machines, including one or more central processors (or instruction processors) and Operating Software, which are acquired to operate as an integrated group.

“db” shall mean decibel.

“DELIVERABLES” shall mean the Goods, Software, Information Technology, telecommunications technology and other items (e.g. reports) to be delivered pursuant to the applicable Contract, including any such items furnished incident to the provision of Services.

“DELIVERY DATES” shall mean the dates specified by the State for the delivery by Sprint or Qualified Provider of certain Deliverables or Services.

“DESIRABLE ITEMS” shall mean attributes or conditions in the CONTRACT that are defined by the words “should” or “may”.

“DOCUMENTATION” shall mean nonproprietary manuals and other printed materials necessary or useful to the State in its use or maintenance of the Equipment or Software provided hereunder. Manuals and other printed materials customized for the State hereunder constitute Documentation only to the extent that such materials are described in or required by the Statement of Work.

“DVD” shall mean Digital Video Disc.

“EFFECTIVE DATE” shall mean the later date on which the Contract has been both executed by Sprint or Qualified Provider and has been executed and approved by the State in accordance with the terms therein.

“END-USER” shall mean an individual within an Agency that is utilizing the feature or service provided under the Contract.

“END TO END SERVICE” shall mean Sprint is responsible for providing Service(s) on a statewide basis, whether provided by Sprint or Sprint’s subs.

“EQUIPMENT” is an all-inclusive term, which refers either to individual Machines or to a complete Data Processing System or subsystem, including its Hardware and Operating Software (if any).

“EQUIPMENT FAILURES” shall mean a malfunction in the Equipment, excluding all external factors, which prevents the accomplishment of the Equipment’s intended function(s). If microcode or Operating Software residing in the Equipment is necessary for the proper operation of the Equipment, a failure of such microcode or Operating Software which prevents the accomplishment of the Equipment’s intended functions shall be deemed to be an Equipment failure.

“E911” shall mean the wireless Enhanced 911 (E911) FCC rules which seek to improve the effectiveness and reliability of wireless 911 service by providing 911 dispatchers with additional information on wireless 911 calls.

“FCC” shall mean the Federal Communications Commission.

“FOC” shall mean Final Operating Capability.



“GOODS” shall mean all types of tangible personal property, including but not limited to materials, supplies, and Equipment (including computer and telecommunications Equipment).

“GPS” shall mean Global Positioning System.

“HARDWARE” usually refers to computer Equipment and is contrasted with Software. See also Equipment.

“IMS” shall mean Instant Messaging Service.

“IT” or **“INFORMATION TECHNOLOGY”** shall mean all electronic technology systems and services, automated information handling, System design and analysis, conversion of data, computer programming, information storage and retrieval, telecommunications which include voice, video, and data communications, requisite System controls, simulation, electronic commerce, and all related interactions between people and Machines.

“LEGISLATURE” shall mean the Michigan State Legislature.

“MACHINE” shall mean an individual unit of Data Processing System or subsystem, separately identified by a type and/or model number, comprised of but not limited to mechanical, electro-mechanical, and electronic parts, microcode, and special features installed thereon and including any necessary Software, e.g., central processing unit, memory module, tape unit, card reader, etc.

“MATERIAL DEVIATION” shall mean a deviation from a requirement that is not in substantial accord with the CONTRACT Requirements, provides an advantage to one Bidder over other Bidders, or has a potentially significant effect on the delivery, quantity or quality of items proposed, amount paid to the Bidder, or for the cost to the State.

“MDIT” shall mean the Michigan Department of Information Technology.

“MDMB” shall mean the Michigan Department of Management and Budget.

“MIGRATION” or **“MIGRATE”** shall mean all tasks, Deliverables and activities related to or necessary for the migration of the provision of Services pursuant to the Contracts for Services.

“MPSC” shall mean the Michigan Public Service Commission.

“NCRP” shall mean National Council on Radiation Protection and Measurements.

“NCS” shall mean the National Communications System.

“NOTICE OF TERMINATION” shall mean a written notice of termination from the State to Sprint or Qualified Provider pursuant to the Contract.

“OPERATING SOFTWARE” shall mean those routines, whether or not identified as Program Products, that reside in the Equipment and are required for the Equipment to perform its intended function(s), and which interface the operator, other Sprint-supplied programs, and user programs to the Equipment.

“PBX” shall mean Private Branch Exchange.

“PDA” shall mean Personal Digital Assistant device.

“PERFORMANCE TESTING PERIOD” shall mean a period of time during which the State, by appropriate tests and production runs, evaluates the performance of newly installed Equipment and Software prior to its acceptance by the State.



“PIM” shall mean Personal Information Management.

“PMM” shall mean the State’s Project Management Methodology.

“POP3” shall mean Post Office Protocol Version 3.

“PSAP” shall mean Public Safety Answering Point.

“PTT” shall mean the Push To Talk functionality of a wireless device.

“QUALIFIED PROVIDER” shall mean the entity identified in the introductory paragraph to the General Provisions and all of its Affiliates providing Deliverables and/or Services under applicable Contract.

“REQUIREMENT” shall mean the technical and administrative performance and delivery Requirements established by the State throughout the CONTRACT.

“RIM” shall mean Research In Motion, the current Blackberry device manufacturer.

“CONTRACT” shall mean Request For Proposal as defined in Section 1 of the Scope of Work.

“SEALED PROPOSAL” shall mean a Proposal that is contained/wrapped/boxed in such a manner that no part of the Proposal is revealed.

“SERVICES” shall mean, collectively, the services, functions and responsibilities described in the Contract as they may be supplemented, enhanced, modified or replaced during the Term in accordance with the Contract, including any Enhancements approved by the State.

“SME” shall mean Subject Matter Expert.

“SOFTWARE” is an all-inclusive term which refers to any computer programs, routines, or subroutines supplied by the Sprint, including Operating Software, programming aids, application programs, and program products.

“SOW” shall mean Statement Of Work.

“STANDARDS” shall mean the State defining business standards as well as industry defined and accepted standards for communications published by recognized organizations such as IEEE, IETF, ITU, ANSI, TIA/EIA, etc.

“STATE” shall mean MDMB/MDIT, or as MDMB/MDIT may designate, in its sole discretion, any other department, division, or unit of the State of Michigan, any agency or governmental entity of the State of Michigan or any local jurisdiction within the State of Michigan empowered to expend public funds, and their end-users, intended to receive the benefit of the Services.

“STATEMENT OF WORK” is Article 1 and any additional statements of work entered into by the State and Sprint pursuant to this Contract.

“SUPPLIER” shall mean a business entity, Bidder, offeror, Contractor, Sprint, or Qualified Provider.

“SYSTEM” shall mean the complete collection of Hardware, Software and Services as described in this Contract, integrated and functioning together, and performing in accordance with this Contract.

“TAP” shall mean Telocator Alphanumeric Protocol.



“TERM” shall have the meaning given it in Section xx.

“UNIFIED MESSAGING” shall mean access to e-mail, voice mail and faxes by a common interface by computer or by telephone. The end user can access these messages from a variety of devices – PCs, Telephones, PDAs, etc.

“USF” shall mean Universal Service Fund.

“VoIP” shall mean Voice Over Internet Protocol.

“Wi-Fi” shall mean a brand originally licensed by the Wi-Fi Alliance to describe the embedded technology of wireless local area networks (WLAN) based on the IEEE 802.11 specifications. Wi-Fi was developed to be used for mobile computing devices, such as laptops in Local Area Networks, but is now increasingly used for more services, including Internet and VoIP phone access, gaming, and basic connectivity of consumer electronics such as televisions, DVD players, and digital cameras. More standards are in development that will allow Wi-Fi to be used by cars on highways in support of an Intelligent Transportation System to increase safety, gather statistics, and enable mobile commerce

“WiMAX” shall mean **Worldwide Interoperability for Microwave Access** as defined by the WiMAX Forum, formed in June 2001 to promote conformance and interoperability of the IEEE 802.16 standard. WiMAX aims to provide wireless data over long distances, in a variety of different ways, from point to point links to full mobile cellular type access. The Forum describes WiMAX as "a standards-based technology enabling the delivery of last mile wireless broadband access as an alternative to cable and DSL".

“2G” shall mean second generation wireless technology. The main differentiator to previous mobile telephone systems, retrospectively dubbed 1G, is that the radio signals that 1G networks use are analog, while 2G networks are digital.

“3G” shall mean third generation wireless technology. The services associated with 3G provide the ability to transfer simultaneously both voice data (a telephone call) and non-voice data (such as downloading information, exchanging email, and Instant Messaging Service).

“4G” shall mean fourth generation wireless technology for which a standards and features are not yet fully defined. 4G is not just one defined technology or standard, but rather a collection of technologies and protocols to enable the highest throughput, lowest cost wireless network possible. The Wireless World Research Forum (WWRF) defines 4G as a network that operates on Internet technology, combines it with other applications and technologies such as Wi-Fi and WiMAX, and runs at speeds ranging from 100 Mbps (in cell-phone networks) to 1 Gbps (in local Wi-Fi networks). <http://en.wikipedia.org/wiki/4G> - [note-what-is-4g#_note-what-is-4g](#)

Visit MiDEAL at www.mi.gov/localgov.

*Sprint agrees to also make available the Equipment and Services to the other jurisdictions and/or government agencies (collectively, the "Cooperative Purchasers") to this Agreement to permit the ordering and use of the Equipment and the Services by such Cooperative Purchasers at the prices and terms of this Agreement. Sprint shall deal directly with each Cooperative Purchaser concerning the placement of orders, issuance of purchase orders, discrepancies, invoicing and payment. Upon submission of a purchase order by such Cooperative Purchaser pursuant to the terms of the Agreement, such Cooperative Purchaser shall become bound by the terms of the Agreement and shall be deemed to be a Party as defined in the Agreement connection with that Equipment and/or Services ordered.



Article 2 – General Terms and Conditions

2.010 Contract Structure and Administration

2.011 Definitions

Capitalized terms used in this Contract (including its Exhibits) shall have the meanings given below, unless the context requires otherwise:

- (a) “Days” means calendar days unless otherwise specified.
- (b) “24x7x365” means 24 hours a day, seven days a week, and 365 days a year (including the 366th day in a leap year).
- (c) “Additional Service” means any Services/Deliverables within the scope of the Contract, but not specifically provided under any Statement of Work, that once added will result in the need to provide the Sprint with additional consideration. “Additional Service” does not include New Work.
- (d) “Amendment Labor Rates” means the schedule of fully-loaded hourly labor rates attached as

Article 1, Attachment C.

- (e) “Audit Period” has the meaning given in **Section 2.111**.
- (f) “Business Day,” whether capitalized or not, shall mean any day other than a Saturday, Sunday or State-recognized legal holiday (as identified in the Collective Bargaining Agreement for State employees) from 8:00am EST through 5:00pm EST unless otherwise stated.
- (g) “Incident” means any interruption in Services.
- (h) “Business Critical” means any function identified in any Statement of Work as Business Critical.
- (i) “Deliverable” means physical goods and/or commodities as required or identified by a Statement of Work
- (j) “Key Personnel” means any Personnel designated in **Article 1, Section 1.201 and/or Attachment B**, as Key Personnel.
- (k) “New Work” means any Services/Deliverables outside the scope of the Contract and not specifically provided under any Statement of Work, that once added will result in the need to provide the Sprint with additional consideration. “New Work” does not include Additional Service.
- (l) “Services” means any function performed for the benefit of the State.
- (m) “State Location” means any physical location where the State performs work. State Location may include state-owned, leased, or rented space.
- (n) “Sprint Sub” means a company Sprint delegates performance of a portion of the Services to, but does not include independent Sprints engaged by Sprint solely in a staff augmentation role.
- (o) “Work in Process” means a Deliverable that has been partially prepared, but has not been presented to the State for Approval.

2.012 Attachments, Appendices and Exhibits

All Attachments, Appendices and/or Exhibits attached to any, and all Statement(s) of Work, attached to, or referencing this Contract, are incorporated in their entirety into, and form part of, this Contract.

2.013 Statements of Work

- (a) The parties agree that the Services/Deliverables to be rendered by Sprint pursuant to this Contract (and any future amendments of it) will be defined and described in detail in Statements of Work or Purchase Orders (PO) executed under this Contract. Sprint shall not be obliged or authorized to commence any work to implement a Statement of Work until authorized via a PO issued against this Contract, or an amendment to this Contract (see 2.106). Sprint shall perform in accordance with this Contract, including the Statements of Work/Purchase Orders executed under it.
- (b) Unless otherwise agreed by the parties, each Statement of Work (as defined in Article 1) will include, or incorporate by reference to the appropriate Contract Article 1 Attachment containing, the following information:
 - a description of the Services to be performed by Sprint under the Statement of Work;
 - a project schedule (including the commencement and completion dates for all tasks, subtasks (for all projects of sufficient duration and complexity to warrant sub task breakdown), and Deliverables;
 - a list of the Deliverables to be provided, if any, including any particular specifications and acceptance criteria for such Deliverables, and the dates on which the Deliverables are scheduled to be completed and delivered to the State;



- all Deliverable price schedules and other charges associated with the Statement of Work, the overall fixed price for such Statement of Work and any other appropriate pricing and payment terms;
- a specification of Sprint's and the State's respective performance responsibilities with respect to the performance or completion of all tasks, subtasks and Deliverables;
- a listing of any Key Personnel of Sprint and/or its Sub for that Statement of Work and any future Statements of Work;
- any other information or provisions the parties agree to include.

(c) Reserved.

(d) The initial Statements of Work, as of the Effective Date, are attached to this Contract.

2.014 Issuing Office

This Contract is issued by the Department of Management and Budget, Office of Purchasing Operations and the Department of Information Technology (collectively, including all other relevant State of Michigan departments and agencies, the "State"). Purchasing Operations is the sole point of contact in the State with regard to all procurement and contractual matters relating to the Contract. **Purchasing Operations is the only State office authorized to change, modify, amend, alter or clarify the prices, specifications, terms and conditions of this Contract.** The Sprint Administrator within the Office of Purchasing Operations for this Contract is:

Doug Collier

Office of Purchasing Operations
Department of Management and Budget
Mason Bldg, 2nd Floor
PO Box 30026
Lansing, MI 48909
Collierd1@michigan.gov
517-335-4804

2.015 Contract Compliance Inspector

Upon receipt at PURCHASING OPERATIONS of the properly executed Contract, it is anticipated that the Director of DMB Purchasing Operations, in consultation with the Department of Information Technology will direct that the person named below, or any other person so designated, be authorized to monitor and coordinate the activities for the Contract on a day-to-day basis during its term. However, monitoring of this Contract implies **no authority to change, modify, clarify, amend, or otherwise alter the prices, terms, conditions and specifications of such Contract as that authority is retained by the Office of Purchasing Operations.** The Contract Compliance Inspector for this Contract is:

Michael Breen

Department of Information Technology
Constitution Hall, 1st Floor N Tower
Lansing, MI 48909
breenm@michigan.gov
(517) 241-7720

2.016 Project Manager

The following individual will oversee the project:

Steve McMahon

Michigan Dept. of Information Technology – Telecommunications
608 W. Allegan
Lansing, MI 48913
Phone: 517-373-6353
E-mail: mcmahons@michigan.gov



2.020 Contract Objectives/Scope/Background

2.021 Background

See Article 1

2.022 Purpose

See Article 1

2.023 Objectives and Scope

See Article 1

2.024 Interpretation

Sections 2.021 through 2.023 are intended to provide background and context for this Contract and are not intended to expand the scope of the obligations under this Contract or to alter the plain meaning of the terms and conditions of this Contract. However, to the extent the terms and conditions of this Contract are unclear or otherwise ambiguous, such terms and conditions are to be interpreted and construed in light of the provisions of this Section.

2.025 Form, Function and Utility

If the Contract is for use of more than one State agency and if the Deliverable/Service does not meet the form, function, and utility required by that State agency, that agency may, subject to State purchasing policies, procure the Deliverable/Service from another source.

2.030 Legal Effect and Term

2.031 Legal Effect

Except as otherwise agreed in writing by the parties, the State assumes no liability for costs incurred by Sprint or payment under this Contract, until Sprint is notified in writing that this Contract (or Change Order) has been approved by the State Administrative Board (if required), approved and signed by all the parties, and a Purchase Order against the Contract has been issued.

2.032 Contract Term

This Contract is for a period of two (2) years commencing on the date that the last signature required to make the Contract enforceable is obtained. All outstanding Purchase Orders shall also expire upon the termination (cancellation for any of the reasons listed in 2.210) of the Contract, unless otherwise extended pursuant to the Contract. Absent an early termination for any reason, Purchase Orders issued but not expired, by the end of the Contract's stated term, will remain in effect for the balance of the fiscal year for which they were issued.

2.033 Renewal(s)

This Contract may be renewed in writing by mutual agreement of the parties not less than thirty (30) days before its expiration. The Contract may be renewed for up to three (3) additional one (1) year periods. Successful completion of negotiations surrounding the terms of the extension, will be a pre-requisite for the exercise of any option year.

2.040 Contractor(s) Personnel

2.041 Contractor Personnel

(a) **Personnel Qualifications.** All persons assigned by Sprint to the performance of Services under this Contract shall be employees of Sprint or its majority-owned (directly or indirectly, at any tier) subsidiaries (or a State-approved Sprint Sub) and shall be fully qualified to perform the work assigned to them. Sprint shall include a similar provision in any subcontract entered into with a Sprint Sub. For the purposes of this Contract, independent Subs engaged by Sprint solely in a staff augmentation role shall be treated by the State as if they were employees of Sprint for this Contract only; however, the State understands that the relationship between Sprint and Sprint Sub is an independent contracting relationship.



(b) Key Personnel

(i) In discharging its obligations under this Contract, Sprint shall provide the named Key Personnel on the terms indicated. **Exhibit B** provides an organization chart showing the roles of certain Key Personnel, if any.

(ii) Key Personnel shall be dedicated as defined in **Exhibit B** to the Project for its duration in the applicable Statement of Work with respect to other individuals designated as Key Personnel for that Statement of Work.

(iii) The Parties will mutually agree to approve in writing the initial assignment, as well as any proposed reassignment or replacement, of any Key Personnel. In the event the State finds a proposed individual unacceptable, the State will provide a written explanation including reasonable detail outlining the reasons for the rejection. Additionally, the State's request shall be based on legitimate, good-faith reasons. Proposed alternative for the individual denied, shall be fully qualified for the position.

Sprint will identify a replacement approved by the State pursuant to **Section 2.041** and assigns the replacement to the Project to shadow the Key Personnel(s) /he is replacing for a period of at least thirty (30) days prior to such Key Personnel's removal.

(c) Re-assignment of Personnel at the State's Request. The State reserves the right to require the removal from the Project of Sprint personnel found, in the judgment of the State, to be unacceptable. The State's request shall be written with reasonable detail outlining the reasons for the removal request. Additionally, the State's request shall be based on legitimate, good-faith reasons. Replacement personnel for the removed person shall be fully qualified for the position. If the State exercises this right, and the Sprint cannot immediately replace the removed personnel, the State agrees to an equitable adjustment in schedule or other terms that may be affected by the State's required removal. If any such incident with removed personnel results in delay not reasonable anticipatable under the circumstances and which is attributable to the State, the applicable SLAs for the affected Service will not be counted in **Section 2.076** for a time as agreed to by the parties.

(d) Staffing Levels.

(i) All staff requirements not specified in the applicable Statement of Work or State-approved project plan as State personnel will be supplied by Sprint. This includes secretarial, clerical and Contract administration support staff necessary for Sprint to perform its obligations hereunder.

(ii) Sprint shall provide sufficient personnel resources for the completion of Contract tasks indicated in Sprint's project plan approved by the State. If the level of personnel resources is insufficient to complete any Sprint Contract tasks in accordance with the Contract time schedule as demonstrated by Sprint's failure to meet mutually agreed to time schedules, Sprint shall promptly add additional qualified personnel resources to the performance of the affected tasks, at no additional charge to the State, in an amount sufficient to complete performance of Sprint's tasks in accordance with the Contract time schedule.

(e) Personnel Turnover. The Parties agree that it is in their best interests to keep the turnover rate of employees of Sprint and its Sprint's Sub who are performing the Services to a reasonable minimum. Accordingly, if the State determines that the turnover rate of such employees is excessive and so notifies Sprint, Sprint will meet with the State to discuss the reasons for the turnover rate and otherwise use commercially reasonable efforts to minimize such turnover rate. If requested to do so by the State, Sprint will submit to the State its proposals for reducing the turnover rate to an acceptable level. In any event, notwithstanding the turnover of personnel, Sprint remains obligated to perform the Services without degradation and in accordance with the State-approved Contract schedule.

2.042 Contractor Identification

Sprint employees shall be clearly identifiable while on State property by wearing a State-issued badge, as required. Sprint employees are required to clearly identify themselves and the company they work for whenever making contact with State personnel by telephone or other means.



2.043 Cooperation with Third Parties

Sprint will provide cause its personnel and the personnel of any Sprint's Sub to cooperate with the State and its agents and other Sprints including the State's Quality Assurance personnel, and, as reasonably requested by the State, to provide to the State's agents and other Sprints with reasonable access to Sprint's Project personnel, systems and facilities to the extent they relate to activities specifically associated with this Contract and will not interfere or jeopardize the safety or operation of the systems or facilities and provided Sprint receives reasonable prior written notice of such request. The State acknowledges that Sprint's time schedule for the Contract is very specific and agrees not to unnecessarily or unreasonably interfere with, delay or otherwise impeded Sprint's performance under this Contract with such requests for access.

2.044 Subcontracting by Contractor

(a) Sprint shall have full responsibility for the successful performance and completion of all of the Services and Deliverables. The State will consider Sprint to be the sole point of contact with regard to all contractual matters under this Contract, including payment of any and all charges for Services and Deliverables.

(b) Sprint shall not delegate any duties under this Contract to a Sprint Sub unless the Department of Management and Budget, Office of Purchasing Operations has given written consent to such delegation. The State shall have the right of prior written approval of all Sprint's Sub and to require Sprint to replace any Sprint's Sub found, in the reasonable judgment of the State, to be unacceptable. The State's request shall be written with reasonable detail outlining the reasons for the removal request. Additionally, the State's request shall be based on legitimate, good-faith reasons. Replacement Sprint Sub(s) for the removed Sprint Sub shall be fully qualified for the position. If the State exercises this right, and the Sprint cannot immediately replace the removed Sprint Sub, the State will agree to an equitable adjustment in schedule or other terms that may be affected by the State's required removal. If any such incident with a removed Sprint Sub results in delay not reasonable anticipatable under the circumstances and which is attributable to the State, the applicable SLAs for the affected Work will not be counted in **Section 2.076** for a time agreed upon by the parties.

(c) In any subcontracts entered into by Sprint for the performance of the Services, Sprint shall require the Sprint Sub, to the extent of the Services to be performed by the Sprint Sub, to be bound to Sprint by the terms of this Contract and to assume toward Sprint all of the obligations and responsibilities that Sprint, by this Contract, assumes toward the State. The State reserves the right to receive copies of and review all subcontracts, although Sprint may delete or mask any proprietary information, including pricing, contained in such contracts before providing them to the State. The management of any Sprint Sub will be the responsibility of Sprint, and Sprint shall remain responsible for the performance of its Sprint's Sub to the same extent as if Sprint had not subcontracted such performance. Sprint shall make all payments to Sprint's Sub or suppliers of Sprint. Except as otherwise agreed in writing by the State and Sprint, the State will not be obligated to direct payments for the Services other than to Sprint. The State's written approval of any Sprint Sub engaged by Sprint to perform any obligation under this Contract shall not relieve Sprint of any obligations or performance required under this Contract.

(d) Except where specifically approved in writing by the State on a case-by-case basis, Sprint shall flow down the obligations in **Sections 2.040, 2.110, 2.150, 2.160, 2.171(c), 2.172(b), 2.180, 2.260, 2.276, 2.297** in all of its agreements with any Sprint's Sub.

(e) The Sprint shall select Sprint's Sub (including suppliers) on a competitive basis to the maximum practical extent consistent with the objectives and requirements of the Contract.

2.045 Sprint Responsibility for Personnel

Sprint shall be responsible for all acts and omissions of its employees, as well as the acts and omissions of any other personnel furnished by Sprint to perform the Services.

2.050 State Standards

**2.051 Existing Technology Standards**

Where applicable, Sprint will adhere to all existing standards as described within the comprehensive listing of the State's existing technology standards at http://www.michigan.gov/dit/0,1607,7-139-30639_30655---.00.html.

2.052 PM Methodology Standards

Where applicable, the State has adopted a standard documented Project Management Methodology (PMM) for use on all Information Technology (IT) based projects. See the State's PMM website at <http://www.michigan.gov/projectmanagement>.

Where applicable, Sprint shall use the State's PPM to manage this Contract. If the Sprint requires training on the PMM, those costs shall be the responsibility of the Sprint, unless otherwise stated.

2.053 Adherence to Portal Technology Tools

The State has adopted the following tools for its Portal Technology development efforts:

- Vignette Content Management and personalization Tool
- Inktomi Search Engine
- E-Pay Payment Processing Module
- Websphere Commerce Suite for e-Store applications

Sprint has well established technologies and web portals in use and already developed that are not compliant with the tools listed in the above requirement. Sprint will work the MIDIT to ensure that existing tools will meet with the requirements of the State as best as possible so that an effective portal is available.

2.054 Acceptable Use Policy

To the extent that Sprint has access to the State computer system, Sprint must comply with the State's Acceptable Use Policy, see <http://www.michigan.gov/dit/0,1607,7-139-34305-73760--,00.html>. All Sprint employees must be required, in writing, to agree to the State's Acceptable Use Policy before accessing the State system. The State reserves the right to terminate Sprint's access to the State system if a violation occurs.

2.060 Deliverables**2.061 Ordering**

(a) Any Services/Deliverables to be furnished under this Contract shall be ordered by issuance of written Purchase Orders/Blanket Purchase Order by the State after approval by the Contract Administrator or his/her designee. All orders are subject to the terms and conditions of this Contract. In the event of conflict between an order and this Contract, the Contract shall take precedence as stated in **Section 2.293**.

(b) DIT will continue to oversee the use of this Contract by End Users. DIT may, in writing, delegate to agencies the authority to submit requests for certain services directly to Sprint. DIT may also designate, in writing, some services as non-delegated and require DIT review and approval before agency acquisition. DIT will use Sprint provided management reports and periodic random agency audits to monitor and administer contract usage for delegated services.

2.062 Software

Any software required in order for the products and/or services provided under this Contract to perform according to Contract requirements, shall be provided to the State by Sprint with the associated products and services purchased at no additional charge (except where agreed upon and specified in a Statement of Work or Contract Change Notice).

2.063 Hardware

Any hardware required in order for the products and/or services provided under this Contract to perform according to Contract requirements, shall be provided to the State by Sprint with the associated products and services purchased at no additional charge (except where agreed upon and specified in the Contract or a Contract Change Notice).



2.064 Equipment to be New and Prohibited Products

(a) Equipment to be New

If applicable, all equipment provided under this Contract by Sprint shall be new where Sprint has knowledge regarding whether the equipment is new or assembled from new or serviceable used parts that are like new in performance or has the option of selecting one or the other. Equipment that is assembled from new or serviceable used parts that are like new in performance is acceptable where Sprint does not have knowledge or the ability to select one or other, unless specifically agreed otherwise in writing by the State.

(b) Prohibited Products

The State will not accept salvage, distressed, outdated or discontinued merchandise no longer supported by the manufacturer. Shipping of such merchandise to any State agency, as a result of an order placed against the Contract, may be considered default by the Sprint of the terms and conditions of the Contract and may result in cancellation of the Contract by the State. The brand and product number offered for all items shall remain consistent for the term of the Contract, unless Purchasing Operations has approved a change order pursuant to **Section 2.106**.

2.070 Performance

2.071 Performance, In General

The State engages Sprint to execute the Contract and perform the Services/provide the Deliverables, and Sprint undertakes to execute and complete the Contract in its entirety in accordance with the terms and conditions of this Contract and with the participation of State representatives as specified in this Contract.

2.072 Time of Performance

(a) Sprint shall use commercially reasonable efforts to provide the resources necessary to complete all Services and Deliverables in accordance with the time schedules contained in the Statements of Work and other Exhibits governing the work, and with professional quality.

(b) Without limiting the generality of **Section 2.072(a)**, Sprint shall notify the State in a timely manner upon becoming aware of any circumstances that may reasonably be expected to jeopardize the timely and successful completion of any Deliverables/Services on the scheduled due dates in the latest State-approved delivery schedule and, in such event, shall inform the State of the projected actual delivery date.

(c) If Sprint believes that a delay in performance by the State has caused or will cause Sprint to be unable to perform its obligations in accordance with specified Contract time periods, Sprint shall notify the State in a timely manner and shall use commercially reasonable efforts to perform its obligations in accordance with such Contract time periods notwithstanding the State's failure. Sprint will not be in default for a delay in performance to the extent such delay is caused by the State.

2.073 Liquidated Damages

See requirements

2.074 Bankruptcy

If Sprint shall file for protection under the bankruptcy laws, or if an involuntary petition shall be filed against Sprint and not removed within thirty (30) days, or if the Sprint becomes insolvent, be adjudicated bankrupt, or if it should make a general assignment for the benefit of creditors, or if a receiver shall be appointed due to its insolvency, and Sprint and/or its affiliates are unable to provide reasonable assurances that Sprint and/or its affiliates can deliver the services provided herein, the State may, without prejudice to any other right or remedy, terminate this Contract, in whole or in part.

2.075 RESERVED - Time is of the Essence

2.076 Service Level Agreements (SLAs)

(a) SLAs will be completed with the following operational considerations:

(i) SLAs will not be calculated for individual Incidents where any event of Excusable Failure has occurred as defined in **Section 2.202**,



(ii) SLAs will not be calculated for individual Incidents where loss of service is planned and where the State has received prior notification and/or coordination.

(iii) SLAs will not apply if the applicable Incident could have been prevented through planning proposed by Sprint and not implemented at the request of the State. In order to invoke this consideration, complete documentation relevant to the denied planning proposal must be presented to substantiate the proposal.

(iv) Time period measurements will be based on the time Incidents are received by the Sprint and the time that the State receives notification of resolution based on 24x7x365 time period, except that the time period measurement will be suspended based on the following ("Stop-Clock Conditions"):

1. Time period(s) will not apply where Sprint does not have access to a physical State Location and where access to the State Location is necessary for problem identification and resolution.

2. Time period(s) will not apply where Sprint needs to obtain timely and accurate information or appropriate feedback and is unable to obtain timely and accurate information or appropriate feedback from the State.

(b) Chronic Failure for any Service(s) will be defined as three (3) unscheduled outage(s) or interruption(s) on any individual Service for the same reason or cause or if the same reason or cause was reasonably discoverable in the first instance over a rolling thirty (30) day period. Chronic Failure will result in the State's option to terminate the effected individual Service(s) and procure them from a different Contractor for the chronic location(s) with Sprint to pay the difference in charges for up to three (3) additional months. The termination of the Service will not affect any tiered pricing levels.

(c) Root Cause Analysis will be performed on any Business Critical outage(s) or outage(s) on Services when requested by the Contract Administrator. Sprint will provide its analysis within two (2) weeks of outage(s) and provide a recommendation for resolution.

(d) All decimals shall be rounded to two decimal places with 5 and greater rounding up and 4 and less rounding down unless otherwise specified.

2.080 Delivery and Acceptance of Deliverables

2.081 Delivery Responsibilities

Unless otherwise specified by the State within an individual order, the following shall be applicable to all orders issued under this Contract.

(a) Shipment responsibilities - Services performed/Deliverables provided under this Contract shall be delivered "F.O.B. Destination, within Government Premises." Sprint shall have complete responsibility for providing all Services/Deliverables to all site(s) unless otherwise stated. Actual delivery dates will be specified on the individual purchase order.

(b) Delivery locations - Services will be performed/Deliverables will be provided at every State of Michigan location within Michigan unless otherwise stated in the SOW. Specific locations will be provided by the State or upon issuance of individual purchase orders.

(c) Damage Disputes - At the time of delivery to State Locations, the State shall examine all packages. The quantity of packages delivered shall be recorded and any obvious visible or suspected damage shall be noted at time of delivery using the shipper's delivery document(s) and appropriate procedures to record such.

Where there is no obvious or suspected damage, all deliveries to a State Location must be opened by the State and the contents inspected for possible internal damage not visible externally within fourteen (14) days of receipt. Any damage must be reported to the Sprint within five (5) days of inspection. If this inspection does not occur and damages not reported within thirty (30) days of receipt, the cure for such damaged deliveries shall transfer to the delivery signing party.

2.082 Delivery of Deliverables

(a) Where applicable, the Statements of Work/POs contain lists of the Deliverables to be prepared and delivered by Sprint including, for each Deliverable, the scheduled delivery date and a designation of whether the Deliverable is a document ("Written Deliverable"), a good ("Physical Deliverable") or a Service. All



Deliverables shall be completed and delivered for State review and written approval and, where applicable, installed in accordance with the State-approved delivery schedule and any other applicable terms and conditions of the Contract.

2.083 Testing

(a) Prior to delivering any of the above-mentioned Statement of Work Physical Deliverables or Services to the State, Sprint will first perform any required quality assurance activities needed to verify that the Physical Deliverable or Service is complete and in conformance with its specifications listed in the applicable Statement of Work or Purchase Order.

(b) If a Deliverable includes installation at a State Location, then Sprint shall (1) perform any applicable testing, (2) correct all material deficiencies discovered during such quality assurance activities and testing, and (3) inform the State that the Deliverable is in a suitable state of readiness for the State's review and approval. To the extent that testing occurs at State Locations, the State shall be entitled to observe or otherwise participate or complete testing.

2.084 Approval of Deliverables, In General

The State will inspect the products and services delivered to confirm that all components of the Deliverable/Service have been delivered without material deficiencies. If the State determines that the Deliverable/Service has material deficiencies, the State may refuse delivery of the Deliverable/Service without performing any further inspection or testing of the Deliverable/Service.

The State, at any time and in its reasonable discretion, may halt the deliverable acceptance process if such process reveals deficiencies in or problems with a Deliverable/Service in a sufficient quantity or of a sufficient severity as to make continued use unproductive or unworkable. In such case, the State may stop using the Service or return the applicable Deliverable to Sprint for correction and re-delivery prior to resuming the testing or approval process.

2.085 Process For Approval of Written Deliverables

Reserved

2.086 Process for Approval of Services

In the event services delivered by Sprint are found to be unacceptable, the State will notify Sprint in writing of the deficiency, allowing 30 days for correction/resolution thereof. In the event Sprint is unable to rectify the service inadequacy, the State reserves the right to secure the services from an alternate provider without penalty of any type, including but not limited to, early termination charges, re-stocking fees, etc..

2.087 Process for Approval of Physical Deliverables

In the event any product delivered by Sprint under this Contract is found to be unacceptable within the initial 30-days of use, the State will notify Sprint in writing of the deficiency, allowing Sprint 30 days to correct/resolve the issue. In the event Sprint is unable to rectify the product inadequacy within the allotted 30 days, the State reserves the right to secure a similar product from an alternate provider without penalty of any type, including but not limited to, early termination charges, re-stocking fees, etc..

2.088 Final Acceptance

Unless otherwise stated in the Statement of Work or Purchase Order, "Final Acceptance" of each Deliverable shall occur when each Deliverable/Service has been approved by the State following State inspection and review. Payment will be made for Deliverables, or products (if) installed and that are accepted. The State will pay for all Services provided that conforms to the Contract requirements.

2.090 Financial

2.091 Pricing

Sprint takes exception to any requirement to enter into a firm fixed-price contract. Sprint will make available to customer rate plans for the life of this contract and affirm that discounts will remain fixed as stated herein. However, Customer will pay all applicable taxes for which it does not hold a valid tax exemption, including, but not limited to, sales, use, gross receipts, excise, value-added, property, transaction, or other local, state,



national taxes or charges imposed on or based upon the provision, sale or use of Products and Services. As further set forth in Sprint's proposal, additional charges may apply to Sprint rate plans, including, but not limited to, a Universal Service Fund assessment, a Telephone Relay Service charge, and in some states a mandatory state-required E911 fee.

2.092 Invoicing and Payment Procedures and Terms

(a) Sprint has read, understands, and will comply with the understanding that the definitive contract between the State and Sprint shall include Sprint's proposed agreement. Section 2.092, Invoicing and Payment Procedures and Terms.

(b) Sprint has read, understands, and will comply with the understanding that Sprint will recognize and honor all validly and properly issued and executed tax exemption certificates upon delivery by Customer and will not bill Customer for any such exempted taxes

(c) Antitrust Assignment

The Sprint assigns to the State any claim for overcharges resulting from antitrust violations to the extent that those violations concern materials or services supplied by third parties to the Sprint, toward fulfillment of this Contract.

(d) Final Payment

The making of final payment by the State to Sprint does not constitute a waiver by either party of any rights or other claims as to the other party's continuing obligations under the Contract, nor will it constitute a waiver of any claims by one party against the other arising from unsettled claims or failure by a party to comply with this Contract, including claims for Services and Deliverables not reasonably known until after acceptance to be defective or substandard. Sprint's acceptance of final payment by the State under this Contract shall constitute a waiver of all claims by Sprint against the State for payment under this Contract, other than those claims previously filed in writing on a timely basis and still unsettled.

2.093 State Funding Obligation

The State's obligation under this Contract is payable only and solely from funds appropriated for the purpose of this Contract. Sprint acknowledges and agrees that all funds for payments after the end of the current fiscal year are subject to the availability of a legislative appropriation for the purpose of this Contract. Events of non-appropriation are addressed further in **Section 2.210** of this Contract.

2.094 RESERVED - Holdback

2.095 Electronic Payment Availability

Electronic transfer of funds is available to State Sprints. Sprint is required to register with the State electronically at <http://www.cpexpress.state.mi.us>. Public Act 533 of 2004 requires all payments be transitioned over to EFT by October, 2005.

2.100 Contract Management

2.101 Contract Management Responsibility

(a) Sprint shall have overall responsibility for managing and successfully performing and completing the Services/Deliverables, subject to the overall direction and supervision of the State and with the participation and support of the State as specified in this Contract. Sprint's duties will include monitoring and reporting the State's performance of its participation and support responsibilities (as well as Sprint's own responsibilities) and providing timely notice to the State in Sprint's reasonable opinion if the State's failure to perform its responsibilities in accordance with or ware (Project Plan) is likely to delay the timely achievement of any Contract tasks.

(b) The Services/Deliverables will be provided by the Sprint either directly or through its affiliates, subsidiaries, Sprint's Sub or resellers. Regardless of the entity providing the Service/Deliverable, the Sprint will act as a single point of contact coordinating these entities to meet the State's need for Services/Deliverables. Nothing in this Contract, however, shall be construed to authorize or require any party to violate any applicable law or regulation in its performance of this Contract.

**2.102 Problem and Contract Management Procedures**

Problem Management and Contract Management procedures will be governed by the Contract and the applicable Statements of Work.

2.103 Reports and Meetings**(a) Reports.**

Within thirty (30) days after the Effective Date, the parties shall determine an appropriate set of periodic reports to be issued by Sprint to the State. Such reports may include:

- (i) separately address Sprint's performance in each area of the Services;
- (ii) for each area of the Services, assess the degree to which Sprint has attained or failed to attain the pertinent objectives in that area, including on-time completion and delivery of Deliverables;
- (iii) explain the reasons for any failure to achieve on-time completion and delivery of Deliverables and include a plan for corrective action where appropriate;
- (iv) describe any circumstances that Sprint anticipates will impair or prevent on-time completion and delivery of Deliverables in upcoming reporting periods;
- (v) include plans for corrective action or risk mitigation where appropriate and describe the status of ongoing problem resolution efforts;
- (vi) provide reports setting forth a comparison of actual hours spent by Sprint (including its augmented personnel and Sprint's Sub) in performing the Project versus hours budgeted by Sprint.
- (vii) set forth a record of the material personnel changes that pertain to the Services and describe planned changes during the upcoming month that may affect the Services.
- (viii) include such documentation and other information may be mutually agreed to verify compliance with, and meeting the objectives of, this Contract.
- (ix) set forth an updated schedule that provides information on the status of upcoming Deliverables, expected dates of delivery (or redelivery) of such Deliverables and estimates on timing for completion of the Project.

(b) Meetings.

Within thirty (30) days after the Effective Date, the parties shall determine an appropriate set of meetings to be held between representatives of the State and Sprint. Sprint shall prepare and circulate an agenda sufficiently in advance of each such meeting to give participants an opportunity to prepare for the meeting. Sprint shall incorporate into such agenda items that the State desires to discuss. At the State's request, Sprint shall prepare and circulate minutes promptly after a meeting.

2.104 System Changes

Sprint is not responsible for and not authorized to make changes to any State systems without written authorization from the State. Any changes Sprint makes to State systems with the State's approval shall be done in accordance with applicable State procedures, including security, access and configuration management procedures.

2.105 Reserved**2.106 Change Requests**

The State reserves the right to request from time to time, any changes to the requirements and specifications of the Contract and the work to be performed by the Sprint under the Contract. During the course of ordinary business, it may become necessary for the State to discontinue certain business practices or create Additional Services/Deliverables. At a minimum, to the extent applicable, the State would like the Sprint to provide a detailed outline of all work to be done, including tasks necessary to accomplish the services/deliverables, timeframes, listing of key personnel assigned, estimated hours for each individual per task, and a complete and detailed cost justification.

If the State requests or directs the Sprint to perform any Services/Deliverables that are outside the scope of the Sprint's responsibilities under the Contract ("New Work"), the Sprint must notify the State promptly, and before commencing performance of the requested activities, that it believes the requested activities are New Work. If



the Sprint fails to notify the State before commencing performance of the requested activities, any such activities performed before notice is given by the Sprint shall be conclusively considered to be in-scope Services/Deliverables, not New Work.

If the State requests or directs the Sprint to perform any services or provide deliverables that are consistent with and similar to the Services/Deliverables being provided by the Sprint under the Contract, but which the Sprint reasonably and in good faith believes are not included within the Statements of Work, then before performing such services or providing such deliverables, the Sprint shall notify the State in writing that it considers the services or deliverables to be an Additional Service/Deliverable for which the Sprint should receive additional compensation. If the Sprint does not so notify the State, the Sprint shall have no right to claim thereafter that it is entitled to additional compensation for performing that service or providing that deliverable. If the Sprint does so notify the State, then such a service or deliverable shall be governed by the Change Request procedure in this Section.

In the event prices or service levels are not acceptable to the State, the Additional Services or New Work shall be subject to competitive bidding based upon the specifications.

(a) Change Requests

(i) State Requests

If the State should require Sprint to perform New Work, Additional Services or make changes to the Services that would affect the Contract completion schedule or the amount of compensation due Sprint (a "Change"), the State shall submit a written request for Sprint to furnish a proposal for carrying out the requested Change (a "Change Request").

(ii) Sprint Recommendations

Sprint shall be entitled to propose a Change to the State, on its own initiative, should it be of the opinion that this would benefit the Contract.

(iii) Upon receipt of a Change Request or on its own initiative, Sprint shall examine the implications of the requested Change on the technical specifications, Contract schedule and price of the Deliverables and Services and shall submit to the State without undue delay a written proposal for carrying out the Change. Sprint's proposal will include any associated changes in the technical specifications, Contract schedule and price and method of pricing of the Services. If the Change is to be performed on a time and materials basis, the Amendment Labor Rates shall apply to the provision of such Services. If Sprint provides a written proposal and should Sprint be of the opinion that a requested Change is not to be recommended, it shall communicate its opinion to the State but shall nevertheless carry out the Change as specified in the written proposal if the State directs it to do so.

(iv) By giving Sprint written notice within a reasonable time, the State shall be entitled to accept a Sprint proposal for Change, to reject it or to reach another agreement with Sprint. Should the parties agree on carrying out a Change, a written Contract Change Notice shall be prepared and issued under this Contract, describing the Change and its effects on the Services and any affected components of this Contract (a "Contract Change Notice").

(v) No proposed Change shall be performed until the proposed Change has been specified in a duly executed Contract Change Notice issued by the Department of Management and Budget, Office of Purchasing Operations.

(vi) If the State requests or directs Sprint to perform any activities that Sprint believes constitute a Change, Sprint must notify the State that it believes the requested activities are a Change prior to commencing the performance of the requested activities. If Sprint fails to so notify the State prior to commencing performance of the requested activities, such activities shall be considered to be performed gratuitously by Sprint, and Sprint shall not have any right thereafter to assert any claim for additional compensation or time for the performance of such activities. If Sprint commences performance of gratuitous services outside the scope of this Contract and subsequently elects to stop performing such out-of-scope services, Sprint must, at the request of the State, back out or reverse any changes resulting from such performance that would adversely affect the Contract.



2.107 Management Tools

Sprint will use an automated tool for planning, monitoring and tracking the Contract's progress. In addition, Sprint shall use automated project management tools as reasonably necessary to perform the Services, which tools shall include the capability to produce through the end of the Contract: (i) staffing tables with names of personnel assigned to Contract tasks, (ii) project plans showing tasks, subtasks, Deliverables and the resources required and allocated to each (including detailed plans for all Services to be performed within the next sixty (60) days, updated semi-monthly) and (iii) graphs showing critical events, dependencies and decision points during the course of the Contract. Any tool(s) used by Sprint for such purposes must produce information of a type and in a manner and format that will support reporting in compliance with the State's standard to the extent such information is described with reasonable detail in the Statements of Work and to the extent the related work is of sufficient project complexity and duration to warrant such reporting.

The State may contact the Public Sector Account Team regarding any contract questions or issues. The Account Team has internal tools available to provide information regarding the contract.

2.110 Records and Inspections

2.111 Records and Inspections

Sprint agrees that the State may, upon reasonable (3 days) notice and during normal business hours, perform an audit at Sprint's location(s) to determine if the Sprint is complying with the requirements of the Contract. The Sprint will cooperate with the State during the audit and produce all records and documentation that verifies compliance with the Contract requirements.

Sprint has read, understands, and will comply with the understandings that

(1) Sprint shall only be required to provide relevant documentation relating to the contract between the State of Michigan Page 289 and Sprint; and

(2) the following language will be added to the agreement between the State and Sprint:

Upon reasonable prior written notice provided in accordance with the contract, Sprint shall make records relating to the contract available to Customer at Sprint's business offices during normal business hours for inspection, examination or audit. Further, due to the highly sensitive and proprietary nature of Sprint's records, any third party auditor acting on behalf of the Customer shall be subject to prior approval by Sprint and may be required at Sprint's sole discretion to execute Sprint's standard Non-Disclosure Agreement prior to examining, inspecting, copying or auditing Sprint's records.

2.112 Errors

(a) If the audit demonstrates any errors in the statements provided to the State, then the amount in error shall be reflected as a credit or debit on the next invoice and in subsequent invoices until the amount is paid or refunded in full. However, a credit or debit may not be carried for more than four (4) quarterly statements. If a balance remains after four (4) quarterly statements, then the remaining amount will be due as a payment or refund within forty-five (45) days of the last quarterly statement that the balance appeared on or termination of the contract, whichever is earlier.

(b) In addition to other available remedies, the difference between the payment received and the correct payment amount is greater than ten percent (10%), then the Sprint shall pay all of the reasonable costs of the audit.

2.120 State Responsibilities

2.121 State Performance Obligations

(a) Equipment and Other Resources. To facilitate Sprint's performance of the Services/Deliverables, the State shall provide to Sprint such equipment and resources as identified in the Statements of Work or other Contract Exhibits as items to be provided by the State.

(b) Facilities. The State shall designate space as long as it is available and as provided in the Statement of Work, to house Sprint's personnel whom the parties agree will perform the Services/Deliverables at State facilities (collectively, the "State Facilities"). Sprint shall have reasonable access to, and unless agreed otherwise by the parties in writing shall observe and comply with all rules and regulations relating to, each of the State Facilities (including hours of operation) used by Sprint in the course of providing the



Services. Sprint agrees that it will not, without the prior written consent of the State, use any State Facilities or access any State information systems provided for Sprint's use, or to which Sprint otherwise gains access in the course of performing the Services, for any purpose other than providing the Services to the State.

(c) Return. Sprint shall be responsible for returning to the State any State-furnished equipment, facilities and other resources when no longer required for the Contract in the same condition as when provided by the State, reasonable wear and tear excepted.

(d) Except as otherwise provided in **Section 2.220**, the State's failure to perform its responsibilities as set forth in this Contract shall not be deemed to be grounds for termination by Sprint. However, Sprint will not be liable for any default or delay in the performance of its obligations under this Contract to the extent such default or delay is caused by nonperformance of the State's obligations under this Contract, provided Sprint provides the State with reasonable written notice of such nonperformance and Sprint uses commercially reasonable efforts to perform notwithstanding the State's failure to perform. In addition, if the State's nonperformance of its responsibilities under this Contract materially increases the time required for Sprint's performance or Sprint's cost of performance, Sprint shall be entitled to seek an equitable extension via the Change Request process described in **Section 2.106**.

2.130 Security

2.131 Background Checks

Sprint shall authorize the investigation of its personnel proposed who will have access to State facilities and systems (If applicable) on a case by case basis. The scope of the background check is at the discretion of the State and the results will be used to determine Sprint personnel eligibility for working within State facilities and systems. Such investigations will include Michigan State Police Background checks (ICHAT) and may include the National Crime Information Center (NCIC) Finger Prints. Proposed Sprint personnel may be required to complete and submit an RI-8 Fingerprint Card for the NCIC Finger Print Check. Any request for background checks will be initiated by the State and will be reasonably related to the type of work requested.

All Sprint personnel will also be expected to comply with the State's security and acceptable use policies for State IT equipment and resources. See <http://www.michigan.gov/dit-service/0,1607,7-179-25781-73760--00.html>. Furthermore, Sprint personnel will be expected to agree to the State's security and acceptable use policies before the Sprint personnel will be accepted as a resource to perform work for the State. It is expected the Sprint will present these documents to the prospective employee before the Sprint presents the individual to the State as a proposed resource. Sprint staff will be expected to comply with all Physical Security procedures in place within the facilities where they are working.

2.140 Reserved

2.150 Confidentiality

2.151 Freedom of Information

All information in any proposal submitted to the State by Sprint and this Contract is subject to the provisions of the Michigan Freedom of Information Act, 1976 Public Act No. 442, as amended, MCL 15.231, et seq (the "FOIA").

2.152 Confidentiality

Sprint and the State each acknowledge that the other possesses and will continue to possess confidential information that has been developed or received by it. As used in this Section, "Confidential Information" of Sprint shall mean all non-public proprietary information of Sprint (other than Confidential Information of the State as defined below) which is marked confidential, restricted, proprietary or with a similar designation. "Confidential Information" of the State shall mean any information which is retained in confidence by the State (or otherwise required to be held in confidence by the State pursuant to applicable federal, state and local laws and regulations) or which, in the case of tangible materials provided to Sprint by the State pursuant to its performance under this Contract, is marked as confidential, proprietary or with a similar designation by the State. In the case of information of either Sprint or the State "Confidential Information" shall exclude any information (including this Contract) that is publicly available pursuant to the Michigan FOIA.

**2.153 Protection of Confidential Information**

The State and Sprint will each use at least the same degree of care to prevent disclosing to third parties the Confidential Information of the other as it employs to avoid unauthorized disclosure, publication or dissemination of its own confidential information of like character, but in no event less than reasonable care. Neither Sprint nor the State will (i) make any use of the Confidential Information of the other except as contemplated by this Contract, (ii) acquire any right in or assert any lien against the Confidential Information of the other, or (iii) if requested to do so, refuse for any reason to promptly return the other party's Confidential Information to the other party. Each party will limit disclosure of the other party's Confidential Information to employees and Sprint's Sub who must have access in order to fulfill the purposes of this Contract. Disclosure to, and use by, a Sprint Sub is permissible where (A) use of a Sprint Sub is authorized under this Contract, (B) such disclosure is necessary or otherwise naturally occurs in connection with work that is within such Sprint Sub's scope of responsibility, and (C) Sprint obligates the Sprint Sub in a written Contract to maintain the State's Confidential Information in confidence. At the State's request, any employee of Sprint and of any Sprint Sub having access or continued access to the State's Confidential Information may be required to execute an acknowledgment that the employee has been advised of Sprint's and the Sprint Sub's obligations under this Section and of the employee's obligation to Sprint or Sprint Sub, as the case may be, to protect such Confidential Information from unauthorized use or disclosure.

2.154 Exclusions

Notwithstanding the foregoing, the provisions of this Section will not apply to any particular information which the State or Sprint can demonstrate (i) was, at the time of disclosure to it, in the public domain; (ii) after disclosure to it, is published or otherwise becomes part of the public domain through no fault of the receiving party; (iii) was in the possession of the receiving party at the time of disclosure to it without an obligation of confidentiality; (iv) was received after disclosure to it from a third party who had a lawful right to disclose such information to it without any obligation to restrict its further disclosure; or (v) was independently developed by the receiving party without reference to Confidential Information of the furnishing party. Further, the provisions of this Section will not apply to any particular Confidential Information to the extent the receiving party is required by law to disclose such Confidential Information, provided that the receiving party (i) promptly provides the furnishing party with notice of the legal request, and (ii) assists the furnishing party in resisting or limiting the scope of such disclosure as reasonably requested by the furnishing party.

2.155 No Implied Rights

Nothing contained in this Section shall be construed as obligating a party to disclose any particular Confidential Information to the other party, or as granting to or conferring on a party, expressly or impliedly, any right or license to the Confidential Information of the other party.

2.156 Remedies

Each party acknowledges that, if it breaches (or attempts or threatens to breach) its obligations under this Section, the other party may be irreparably harmed. Accordingly, if a court of competent jurisdiction should find that a party has breached (or attempted or threatened to breach) any such obligations, the non-breaching party shall be entitled to seek an injunction preventing such breach (or attempted or threatened breach).

2.157 Security Breach Notification

In the event of a breach of this Section, Sprint shall take (i) prompt corrective action to cure any such deficiencies and (ii) any action pertaining to such unauthorized disclosure required by applicable federal and state laws and regulations. Sprint and the State will cooperate to mitigate, to the extent practicable, the effects of any breach, intrusion, or unauthorized use or disclosure. Sprint shall report to the State in writing any use or disclosure of Confidential Information, whether suspected or actual, other than as provided for by the Contract within ten (10) days of becoming aware of such use or disclosure or such shorter time period as is reasonable under the circumstances.

2.158 Survival

The parties' respective obligations under this Section shall survive the termination or expiration of this Contract for any reason.

**2.159 Destruction of Confidential Information**

Promptly upon termination or cancellation of the Contract for any reason, Sprint shall certify to the State that Sprint has destroyed all State Confidential Information.

2.160 Proprietary Rights**2.161 Ownership**

Ownership of Work Product by State. All Deliverables shall be owned by the State and shall be considered works made for hire by the Sprint for the State. The State shall own all United States and international copyrights, trademarks, patents or other proprietary rights in the Deliverables.

Vesting of Rights. As applicable, with the sole exception of any preexisting licensed works identified, Sprint shall assign, and upon creation of each Deliverable automatically assigns, to the State, ownership of all United States and international copyrights, trademarks, patents, or other proprietary rights in each and every Deliverable, whether or not registered by the Sprint, insofar as any such Deliverable, by operation of law, may not be considered work made for hire by the Sprint for the State. From time to time upon State's request, the Sprint and/or its personnel shall confirm such assignment by execution and delivery of the assignments, confirmations of assignment, or other written instruments as the State may request. The State shall have the right to obtain and hold in its own name all copyright, trademark, and patent registrations and other evidence of rights that may be available for Deliverables.

2.162 RESERVED - Source Code Escrow**2.163 Rights in Data**

(a) The State will be and remain the owner of all data made available by the State to Sprint or its agents, Sprint's Sub or representatives pursuant to the Contract. Sprint will not use the State's data for any purpose other than providing the Services, nor will any part of the State's data be disclosed, sold, assigned, leased or otherwise disposed of to the general public or to specific third parties or commercially exploited by or on behalf of Sprint, nor will any employee of Sprint other than those on a strictly need to know basis have access to the State's data. Sprint will not possess or assert any lien or other right against the State's data. Without limiting the generality of this Section, Sprint shall only use personally identifiable information as strictly necessary to provide the Services and shall disclose such information only to its employees who have a strict need to know such information. Sprint shall comply at all times with all laws and regulations applicable to such personally identifiable information.

(b) The State is and shall remain the owner of all State-specific data pursuant to the Contract. The State may use the data provided by the Sprint for any purpose. The State will not possess or assert any lien or other right against the Sprint's data. Without limiting the generality of this Section, the State shall only use personally identifiable information as strictly necessary to utilize the Services and shall disclose such information only to its employees who have a strict need to know such information, except as provided by law. The State shall comply at all times with all laws and regulations applicable to such personally identifiable information. Other material developed and provided to the State shall remain the State's sole and exclusive property.

2.164 Ownership of Materials

State and Sprint will continue to own their respective proprietary technologies developed before entering into the Contract. Any hardware bought through the Sprint by the State, and paid for by the State, will be owned by the State. Any software licensed through the Sprint and sold to the State, will be licensed directly to the State.

2.165 Standard Software

If applicable and necessary, all Standard Software used in performing the Services shall be provided to the State under a separate license agreement between the State and the owner (or authorized licensor) of such software. Standard Software to be licensed to the State is listed in **Exhibit C**.

**2.166 Pre-existing Materials for Custom Software Deliverables**

If applicable, neither Sprint nor any of its Sprint's Sub shall incorporate any preexisting materials (including Standard Software) into Custom Software Deliverables or use any pre-existing materials to produce Custom Software Deliverables if such pre-existing materials will be needed by the State in order to use the Custom Software Deliverables unless (i) such pre-existing materials and their owners are identified to the State in writing and (ii) such pre-existing materials are either readily commercially available products for which Sprint or its Sprint Sub, as the case may be, has obtained a license (in form and substance approved by the State) in the name of the State, or are materials that Sprint or its Sprint Sub, as the case may be, has the right to license to the State and has licensed to the State on terms and conditions approved by the State prior to using such pre-existing materials to perform the Services.

2.167 General Skills

Notwithstanding anything to the contrary in this Section, each party, its Sprint's Sub and their personnel shall be free to use and employ its and their general skills, know-how and expertise, and to use, disclose and employ any generalized ideas, concepts, know-how, methods, techniques or skills gained or learned during the course of performing the Services, so long as it or they acquire and apply the foregoing without disclosure of any confidential or proprietary information of the other party.

2.170 Warranties And Representations**2.171 Warranties and Representations**

Sprint represents and warrants:

(a) It is capable in all respects of fulfilling and shall fulfill all of its obligations under this Contract. The performance of all obligations under this Contract shall be provided in a timely, professional, and workman-like manner and shall meet the performance and operational standards required under this Contract.

(b) The Contract Appendices, Attachments and Exhibits identify the equipment and software and services necessary for the Deliverable(s) to perform and Services to operate in compliance with the Contract's requirements and other standards of performance.

(c) It is the lawful owner or licensee of any Deliverable licensed or sold to the State by Sprint or developed by Sprint under this Contract, and Sprint has all of the rights necessary to convey to the State the ownership rights or licensed use, as applicable, of any and all Deliverables. None of the Deliverables provided by Sprint to the State under this Contract, nor their use by the State, will infringe the patent, copyright, trade secret, or other proprietary rights of any third party.

(d) If, under this Contract, Sprint procures any equipment, software or other Deliverable for the State (including equipment, software and other Deliverables manufactured, re-marketed or otherwise sold by Sprint under Sprint's name), then in addition to Sprint's other responsibilities with respect to such items in this Contract, Sprint shall assign or otherwise transfer to the State or its designees, or afford the State the benefits of, any manufacturer's warranty for the Deliverable.

(e) The contract signatory has the power and authority, including any necessary corporate authorizations, necessary to enter into this Contract, on behalf of Sprint.

(f) It is qualified and registered to transact business in all locations where required.

(g) Neither Sprint nor any Affiliates, nor any employee of either, has, shall have, or shall acquire, any contractual, financial, business, or other interest, direct or indirect, that would conflict in any manner or degree with Sprint's performance of its duties and responsibilities to the State under this Contract or otherwise create an appearance of impropriety with respect to the award or performance of this Agreement. Sprint shall notify the State within two (2) days of any such interest that may be incompatible with the interests of the State.



(h) Neither Sprint nor any Affiliates, nor any employee of either has accepted or shall accept anything of value based on an understanding that the actions of the Sprint or Affiliates or employee on behalf of the State would be influenced. Sprint shall not attempt to influence any State employee by the direct or indirect offer of anything of value.

(i) Neither Sprint nor any Affiliates, nor any employee of either has paid or agreed to pay any person, other than bona fide employees and consultants working solely for Sprint or such Affiliate, any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon or resulting from the award or making of this Contract.

(j) The prices proposed by Sprint were arrived at independently, without consultation, communication, or agreement with any other bidder for the purpose of restricting competition; the prices quoted were not knowingly disclosed by Sprint to any other bidder; and no attempt was made by Sprint to induce any other person to submit or not submit a proposal for the purpose of restricting competition.

(k) All financial statements, reports, and other information furnished by Sprint to the State as part of its response to the CONTRACT or otherwise in connection with the award of this Contract fairly and accurately represent the business, properties, financial condition, and results of operations of Sprint as of the respective dates, or for the respective periods, covered by such financial statements, reports, other information. Since the respective dates or periods covered by such financial statements, reports, or other information, there have been no material adverse change in the business, properties, financial condition, or results of operations of Sprint.

(m) All written information furnished to the State by or behalf of Sprint in connection with this Contract, including its bid, is true, accurate, and complete, and contains no untrue statement of material fact or omits any material fact necessary to make such information not misleading.

(n) It is not in material default or breach of any other contract or agreement that it may have with the State or any of its departments, commissions, boards, or agencies. Sprint further represents and warrants that it has not been a party to any contract with the State or any of its departments that was terminated by the State or such department within the previous five (5) years for the reason that Sprint failed to perform or otherwise breached an obligation of such contract.

2.172 Software Warranties

(a) Performance Warranty

Sprint will work with the State to facilitate through the Manufacturer's warranty that Deliverables, after Final Acceptance, will perform and operate in compliance with the requirements and other standards of performance contained in this Contract (including all descriptions, specifications and drawings made a part of the Contract) for a period of ninety (90) days. In the event of a breach of this warranty, Sprint will promptly correct the affected Deliverable(s) at no charge to the State.

(b) No Surreptitious Code Warranty

Sprint represents through Manufacturer's warranty that no copy of licensed Software provided to the State contains or will contain any Self-Help Code or any Unauthorized Code as defined below. This warranty is referred to in this Contract as the "No Surreptitious Code Warranty."

As used in this Contract, "Self-Help Code" means any back door, time bomb, drop dead device, or other software routine designed to disable a computer program automatically with the passage of time or under the positive control of a person other than the licensee of the software. Self-Help Code does not include Software routines in a computer program, if any, designed to permit an owner of the computer program (or other person acting by authority of the owner) to obtain access to a licensee's computer system(s) (e.g. remote access via modem) for purposes of maintenance or technical support.

As used in this Contract, "Unauthorized Code" means any virus, Trojan horse, spyware, worm or other Software routines or components designed to permit unauthorized access to disable, erase, or otherwise harm software, equipment, or data; or to perform any other such actions. The term Unauthorized Code does not



include Self-Help Code. Unauthorized Code does not include Software routines in a computer program, if any, designed to permit an owner of the computer program (or other person acting by authority of the owner) to obtain access to a licensee's computer system(s) (e.g. remote access via modem) for purposes of maintenance or technical support.

In addition, Sprint will use up-to-date commercial virus detection software to detect and remove any viruses from any software prior to delivering it to the State.

(c) Calendar Warranty

Sprint represents and warrants that all software for which the Sprint either sells or licenses to the State of Michigan and used by the State prior to, during or after the calendar year 2000, includes or shall include, at no added cost to the State, design and performance so the State shall not experience software abnormality and/or the generation of incorrect results from the software, due to date oriented processing, in the operation of the business of the State of Michigan.

The software design, to insure calendar year rollover compatibility, shall include, but is not limited to: data structures (databases, data files, etc.) that provide 4-digit date century; stored data that contain date century recognition, including, but not limited to, data stored in databases and hardware device internal system dates; calculations and program logic (e.g., sort algorithms, calendar generation, event recognition, and all processing actions that use or produce date values) that accommodates same century and multi-century formulas and date values; interfaces that supply data to and receive data from other systems or organizations that prevent non-compliant dates and data from entering any State system; user interfaces (i.e., screens, reports, etc.) that accurately show 4 digit years; and assurance that the year 2000 shall be correctly treated as a leap year within all calculation and calendar logic.

(d) Third-party Software Warranty

Sprint represents and warrants that it will disclose the use or incorporation of any third-party software into the Deliverables. At the time of Delivery, the Sprint shall provide in writing the name and use of any Third-party Software, including information regarding the Sprint's authorization to include and utilize such software. The notice shall include a copy of any ownership agreement or license that authorizes the Sprint to use the Third-party Software.

2.173 Equipment Warranty (See Article 1, Warranties)

2.174 Physical Media Warranty

(a) Sprint represents and warrants that each licensed copy of the Software provided by Sprint is free from physical defects in the media that tangibly embodies the copy. This warranty does not apply to defects discovered more than thirty (30) days after that date of Final Acceptance of the Software by the State. This warranty does not apply to defects arising from acts of Excusable Failure. If the Sprint breaches this warranty, then the State shall be entitled to replacement of the non-compliant copy by Sprint, at Sprint's expense (including shipping and handling).

2.175 Standard Warranties

(a) Warranty of Merchantability

Deliverables shall be merchantable. All Deliverables shall be of good quality within the description given by the State, shall be fit for their ordinary purpose, shall be adequately contained and packaged within the description given by the State, shall conform to the agreed upon specifications, and shall conform to the affirmations of fact made by the Sprint on the container or label.

(b) Warranty of fitness for a particular purpose

When Sprint has reason to know or knows any particular purpose for which the Deliverables are required, and when the State is relying on the Sprint's skill or judgment to select or furnish suitable Deliverables, the Sprint warrants that the Deliverables are fit for such purpose.



(c) Warranty of title

Sprint shall convey good title in those Deliverables, whose transfer is right and lawful. All Deliverables provided by Sprint shall be delivered free from any security interest, lien, or encumbrance. Deliverables shall be delivered free of any rightful claim of any third person of ownership, interest, lien or encumbrance.

2.176 Consequences For Breach

In addition to any remedies available in law, if the Sprint breaches any of the warranties contained in this section, such breach may be considered as a default in the performance of a material obligation of this Contract.

2.180 Insurance

2.181 Liability Insurance

(a) Liability Insurance

Sprint is required to provide proof of the minimum levels of insurance coverage as indicated below. The purpose of this coverage shall be to protect the State from claims which may arise out of or result from the Sprint's performance of services under the terms of this Contract, whether such services are performed by the Sprint, or by any Sprint Sub, or by anyone directly or indirectly employed by any of them, or by anyone for whose acts they may be liable.

Sprint waives all rights against the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees and agents for recovery of damages to the extent these damages are covered by the insurance policies, Sprint is required to maintain pursuant to this Contract.

All insurance coverages provided relative to this Contract/Purchase Order are PRIMARY and NON-CONTRIBUTING to any comparable liability insurance (including self-insurances) carried by the State for the acts and omissions of the Contractor and for whom the Contractor is responsible.

The insurance shall be written for not less than any minimum coverage specified in this Contract or required by law, whichever is greater.

The insurers selected by Sprint shall have an A.M. Best rating of A or better, or as otherwise approved in writing by the State, or if such ratings are no longer available, with a comparable rating from a recognized insurance rating agency. All policies of insurance required in this Contract shall be issued by companies that have been approved to do business in the State.

See http://www.mi.gov/cis/0,1607,7-154-10555_22535---,00.html.

Where specific limits are shown, they are the minimum acceptable limits. If Sprint's policy contains higher limits, the State shall be entitled to coverage to the extent of such higher limits.

Before the Contract is signed by both parties or before the purchase order is issued by the State, the Sprint must furnish to the Director of Purchasing Operations, certificate(s) of insurance verifying insurance coverage ("Certificates"). The Certificate must be on the standard "accord" form or equivalent. **THE CONTRACT OR PURCHASE ORDER NO. MUST BE SHOWN ON THE CERTIFICATE OF INSURANCE TO ASSURE CORRECT FILING.** All Certificate(s) are to be prepared and submitted by the Insurance Provider. All Certificate(s) shall contain a provision indicating that coverages afforded under the policies WILL NOT BE CANCELLED, MATERIALLY CHANGED, OR NOT RENEWED without THIRTY (30) days prior written notice, except for ten (10) days for non-payment of premium, having been given to the Director of Purchasing Operations, Department of Management and Budget. The notice must include the Contract or Purchase Order number affected and be mailed to: Director, Purchasing Operations, Department of Management and Budget, P.O. Box 30026, Lansing, Michigan 48909. Failure to provide evidence of coverage, may, at the State's sole option, result in this Contract's termination.



Sprint is required to pay for and provide the type and amount of insurance checked ☒ below:

☒ 1. Commercial General Liability with the following minimum coverage:

\$2,000,000 General Aggregate Limit other than Products/Completed Operations

\$2,000,000 Products/Completed Operations Aggregate Limit

\$1,000,000 Personal & Advertising Injury Limit

\$1,000,000 Each Occurrence Limit

\$500,000 Fire Damage Limit (any one fire)

The Sprint must list the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees and agents as ADDITIONAL INSUREDS on the Commercial General Liability certificate. The Sprint also agrees to provide evidence that insurance policies contain a waiver of subrogation by the insurance company.

☒ 2. If a motor vehicle is used to provide services or products under this Contract, the Sprint must have vehicle liability insurance on any auto including owned, hired and non-owned vehicles used in Sprint's business for bodily injury and property damage as required by law.

The Sprint must list the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees and agents as ADDITIONAL INSUREDS on the vehicle liability certificate. The Sprint also agrees to provide evidence that insurance policies contain a waiver of subrogation by the insurance company.

☒ 3. Workers' compensation coverage must be provided in accordance with applicable laws governing the employees and employers work activities in the state of the Sprint's domicile. If the applicable coverage is provided by a self-insurer, proof must be provided of approved self-insured authority by the jurisdiction of domicile. For employees working outside of the state of qualification, Sprint must provide appropriate certificates of insurance proving mandated coverage levels for the jurisdictions where the employees' activities occur.

Any certificates of insurance received must also provide a list of states where the coverage is applicable.

The Sprint also agrees to provide evidence that insurance policies contain a waiver of subrogation by the insurance company. This provision shall not be applicable where prohibited or limited by the laws of the jurisdiction in which the work is to be performed.

☒ 4. Employers liability insurance with the following minimum limits:

\$100,000 each accident

\$100,000 each employee by disease

\$500,000 aggregate disease

☐ 5. Employee Fidelity, including Computer Crimes, insurance naming the State as a loss payee, providing coverage for direct loss to the State and any legal liability of the State arising out of or related to fraudulent or dishonest acts committed by the employees of Sprint or its Sprint's Sub, acting alone or in collusion with others, in a minimum amount of one million dollars (\$1,000,000.00) with a maximum deductible of fifty thousand dollars (\$50,000.00).

☐ 6. Umbrella or Excess Liability Insurance in a minimum amount of ten million dollars (\$10,000,000.00), which shall apply, at a minimum, to the insurance required in Subsection 1 (Commercial General Liability) above.

☐ 7. Professional Liability (Errors and Omissions) Insurance with the following minimum coverage: three million dollars (\$3,000,000.00) each occurrence and three million dollars (\$3,000,000.00) annual aggregate.



□ 8. Fire and Personal Property Insurance covering against any loss or damage to the office space used by Sprint for any reason under this Contract, and the equipment, software and other contents of such office space, including without limitation, those contents used by Sprint to provide the Services to the State, up to the replacement value thereof, where such office space and its contents are under the care, custody and control of Contractor. Such policy shall cover all risks of direct physical loss or damage, including without limitation, flood and earthquake coverage and coverage for computer hardware and software. The State shall be endorsed on the policy as a loss payee as its interests appear.

(b) Contractor's Sub

Except where the State has approved in writing a Contractor subcontract with other insurance provisions, Contractor shall require all of its Contractor's Sub under this Contract to purchase and maintain the insurance coverage as described in this Section for the Contractor in connection with the performance of work by those Contractor's Sub. Alternatively, Contractor may include any Contractor's Sub under Contractor's insurance on the coverage required in this Section. Contractor Sub(s) shall fully comply with the insurance coverage required in this Section. Failure of Contractor Sub(s) to comply with insurance requirements does not limit contractor's liability or responsibility.

(c) Certificates of Insurance and Other Requirements

Contractor shall furnish to the Office of Purchasing Operations certificate(s) of insurance verifying insurance coverage or providing satisfactory evidence of self-insurance as required in this Section (the "Certificates"). Before the Contract is signed, and not less than 20 days before the insurance expiration date every year thereafter, the Contractor shall provide evidence that the State and its agents, officers and employees are listed as additional insureds under each commercial general liability and commercial automobile liability policy. In the event the State approves the representation of the State by the insurer's attorney, the attorney may be required to be designated as a Special Assistant Attorney General by the Attorney General of the State of Michigan.

Contractor shall maintain all required insurance coverage throughout the term of the Contract and any extensions thereto and, in the case of claims-made Commercial General Liability policies, shall secure tail coverage for at least three (3) years following the expiration or termination for any reason of this Contract. The minimum limits of coverage specified above are not intended, and shall not be construed, to limit any liability or indemnity of Contractor under this Contract to any indemnified party or other persons. Contractor shall be responsible for all deductibles with regard to such insurance. If Contractor fails to pay any premium for required insurance as specified in this Contract, or if any insurer cancels or significantly reduces any required insurance as specified in this Contract without the State's written consent, at the State's election (but without any obligation to do so) after the State has given Contractor at least thirty (30) days written notice, the State may pay such premium or procure similar insurance coverage from another company or companies; and at the State's election, the State may deduct the entire cost (or part thereof) from any payment due Contractor, or Contractor shall pay the entire cost (or any part thereof) upon demand by the State.

2.190 Indemnification

2.191 Indemnification

(a) General Indemnification

To the extent permitted by law, the Contractor shall indemnify, defend and hold harmless the State from liability, including all claims and losses, and all related costs and expenses (including reasonable attorneys' fees and costs of investigation, litigation, settlement, judgments, interest and penalties), accruing or resulting to any person, firm or corporation that may be injured or damaged by the Contractor in the performance of this Contract and that are attributable to the negligence or tortious acts of the Contractor or any of its Contractor's Sub, or by anyone else for whose acts any of them may be liable.

(b) Code Indemnification

To the extent permitted by law, the Contractor shall indemnify, defend and hold harmless the State from any claim, loss, or expense arising from Contractor's breach of the No Surreptitious Code Warranty.



(c) Employee Indemnification

In any and all claims against the State of Michigan, its departments, divisions, agencies, sections, commissions, officers, employees and agents, by any employee of the Contractor or any of its Contractor's Sub, the indemnification obligation under the Contract shall not be limited in any way by the amount or type of damages, compensation or benefits payable by or for the Contractor or any of its Contractor's Sub under worker's disability compensation acts, disability benefit acts or other employee benefit acts. This indemnification clause is intended to be comprehensive. Any overlap in provisions, or the fact that greater specificity is provided as to some categories of risk, is not intended to limit the scope of indemnification under any other provisions.

(d) Patent/Copyright Infringement Indemnification

To the extent permitted by law, the Contractor shall indemnify, defend and hold harmless the State from and against all losses, liabilities, damages (including taxes), and all related costs and expenses (including reasonable attorneys' fees and costs of investigation, litigation, settlement, judgments, interest and penalties) incurred in connection with any action or proceeding threatened or brought against the State to the extent that such action or proceeding is based on a claim that any piece of equipment, software, commodity or service supplied by the Contractor or its Contractor's Sub, or the operation of such equipment, software, commodity or service, or the use or reproduction of any documentation provided with such equipment, software, commodity or service infringes any United States patent, copyright, trademark or trade secret of any person or entity, which is enforceable under the laws of the United States.

In addition, should the equipment, software, commodity, or service, or its operation, become or in the State's or Contractor's opinion be likely to become the subject of a claim of infringement, the Contractor shall at the Contractor's sole expense (i) procure for the State the right to continue using the equipment, software, commodity or service or, if such option is not reasonably available to the Contractor, (ii) replace or modify to the State's satisfaction the same with equipment, software, commodity or service of equivalent function and performance so that it becomes non-infringing, or, if such option is not reasonably available to Contractor, (iii) accept its return by the State with appropriate credits to the State against the Contractor's charges and reimburse the State for any losses or costs incurred as a consequence of the State ceasing its use and returning it.

Notwithstanding the foregoing, the Contractor shall have no obligation to indemnify or defend the State for, or to pay any costs, damages or attorneys' fees related to, any claim based upon (i) equipment developed based on written specifications of the State; or (ii) use of the equipment in a configuration other than implemented or approved in writing by the Contractor, including, but not limited to, any modification of the equipment by the State; or (iii) the combination, operation, or use of the equipment with equipment or software not supplied by the Contractor under this Contract.

2.192 Continuation of Indemnification Obligations

The Contractor's duty to indemnify pursuant to this Section continues in full force and effect, notwithstanding the expiration or early cancellation of the Contract, with respect to any claims based on facts or conditions that occurred prior to expiration or cancellation.

2.193 Indemnification Procedures

The procedures set forth below shall apply to all indemnity obligations under this Contract.

(a) After receipt by the State of notice of the action or proceeding involving a claim in respect of which it will seek indemnification, the State shall promptly notify Contractor of such claim in writing and take or assist Contractor in taking, as the case may be, any reasonable action to avoid the imposition of a default judgment against Contractor. No failure to notify Contractor shall relieve Contractor of its indemnification obligations except to the extent that Contractor can demonstrate damages attributable to such failure. Within ten (10) days following receipt of written notice from the State relating to any claim, Contractor shall notify the State in writing whether Contractor will assume control of the defense and settlement of that claim (a "Notice of Election"). After notifying Contractor of a claim and prior to the State receiving Contractor's Notice of Election, the State shall be entitled to defend against the claim, at Contractor's expense, and Contractor will be responsible for any reasonable costs incurred by the State in defending against the claim during such period.



(b) If Contractor delivers a Notice of Election relating to any claim: (i) the State shall be entitled to participate in the defense of such claim and to employ counsel at its own expense to assist in the handling of such claim and to monitor and advise the State about the status and progress of the defense; (ii) Contractor shall, at the request of the State, demonstrate to the reasonable satisfaction of the State, Contractor's financial ability to carry out its defense and indemnity obligations under this Contract; (iii) Contractor shall periodically advise the State about the status and progress of the defense and shall obtain the prior written approval of the State before entering into any settlement of such claim or ceasing to defend against such claim and (iv) to the extent that any principles of Michigan governmental or public law may be involved or challenged, the State shall have the right, at its own expense, to control the defense of that portion of such claim involving the principles of Michigan governmental or public law. Notwithstanding the foregoing, the State may retain control of the defense and settlement of a claim by written notice to Contractor given within ten (10) days after the State's receipt of Contractor's information requested by the State pursuant to clause (ii) of this paragraph if the State determines that Contractor has failed to demonstrate to the reasonable satisfaction of the State Contractor's financial ability to carry out its defense and indemnity obligations under this Section. Any litigation activity on behalf of the State of Michigan, or any of its subdivisions pursuant to this Section, must be coordinated with the Department of Attorney General. In the event the insurer's attorney represents the State pursuant to this Section, the insurer's attorney may be required to be designated as a Special Assistant Attorney General by the Attorney General of the State of Michigan.

(c) If Contractor does not deliver a Notice of Election relating to any claim of which it is notified by the State as provided above, the State shall have the right to defend the claim in such manner as it may deem appropriate, at the cost and expense of Contractor. If it is determined that the claim was one against which Contractor was required to indemnify the State, upon request of the State, Contractor shall promptly reimburse the State for all such reasonable costs and expenses.

2.200 Limits of Liability and Excusable Failure

2.201 Limits of Liability

The Contractor's liability for damages to the State shall be limited to two times the value of the Contract or \$200,000 (for low risk contracts – Select a higher amount for moderate to high risk contracts) which ever is higher. The foregoing limitation of liability shall not apply to claims for infringement of United States patent, copyright, trademarks or trade secrets; to claims for personal injury or damage to property caused by the gross negligence or willful misconduct of the Contractor; to claims covered by other specific provisions of this Contract calling for liquidated damages; or to court costs or attorney's fees awarded by a court in addition to damages after litigation based on this Contract.

The State's liability for damages to the Contractor shall be limited to the value of the Contract.

Neither the Contractor nor the State shall be liable to each other, regardless of the form of action, for consequential, incidental, indirect, or special damages. This limitation of liability shall not apply to claims for infringement of United States patent, copyright, trademark or trade secrets; to claims for personal injury or damage to property caused by the gross negligence or willful misconduct of the Contractor; to claims covered by other specific provisions of this Contract calling for liquidated damages; or to court costs or attorney's fees awarded by a court in addition to damages after litigation based on this Contract.

2.202 Excusable Failure

Neither party will be liable for any default, damage or delay in the performance of its obligations under the Contract to the extent such default, damage or delay is caused by government regulations or requirements (executive, legislative, judicial, military or otherwise), power failure, electrical surges or current fluctuations, lightning, earthquake, war, water or other forces of nature or acts of God, delays or failures of transportation, equipment shortages, suppliers' failures, or acts or omissions of common carriers, fire; riots, civil disorders; strikes or other labor disputes, embargoes; injunctions (provided the injunction was not issued as a result of any fault or negligence of the party seeking to have its default or delay excused); or any other cause beyond the reasonable control of such party; provided the non-performing party and its Contractor's Sub are without fault in causing such default or delay, and such default or delay could not have been prevented by reasonable precautions and cannot reasonably be circumvented by the non-performing party through the use of alternate sources, workaround plans or other means, including disaster recovery plans.



In such event, the non-performing party will be excused from any further performance or observance of the obligation(s) so affected for as long as such circumstances prevail and such party continues to use its commercially reasonable efforts to recommence performance or observance whenever and to whatever extent possible without delay and provided further that such party promptly notifies the other party in writing of the inception of the excusable failure occurrence, and also of its abatement or cessation.

If any of the above-enumerated circumstances substantially prevent, hinder, or delay Contractor's performance of the Services/provision of Deliverables for more than ten (10) Business Days, and the State determines that performance is not likely to be resumed within a period of time that is satisfactory to the State in its reasonable discretion, then at the State's option: (a) the State may procure the affected Services/Deliverables from an alternate source, and the State shall not be liable for payment for the unperformed Services/ Deliverables not provided under the Contract for so long as the delay in performance shall continue; (b) the State may terminate any portion of the Contract so affected and the charges payable there under shall be equitably adjusted to reflect those Services/Deliverables terminated; or (c) the State may terminate the affected Statement of Work without liability to Contractor as of a date specified by the State in a written notice of termination to Contractor, except to the extent that the State shall pay for Services/Deliverables provided through the date of termination.

Contractor will not have the right to any additional payments from the State as a result of any Excusable Failure occurrence or to payments for Services not rendered/Deliverables not provided as a result of the Excusable Failure condition. Defaults or delays in performance by Contractor which are caused by acts or omissions of its Contractor's Sub will not relieve Contractor of its obligations under the Contract except to the extent that a Contractor Sub is itself subject to an Excusable Failure condition described above and Contractor cannot reasonably circumvent the effect of the Contractor Sub's default or delay in performance through the use of alternate sources, workaround plans or other means.

2.203 Disaster Recovery

Contractor and the State recognize that the State provides essential services in times of natural or man-made disasters. Therefore, except as so mandated by Federal disaster response requirements, Contractor personnel dedicated to providing Services/Deliverables under this Contract will provide the State with priority service for repair and work around in the event of a natural or manmade disaster.

2.210 Termination/Cancellation by the State

The State may terminate this Contract without further liability or penalty to the State, its departments, divisions, agencies, offices, commissions, officers, agents and employees for any of the following reasons:

2.211 Termination for Cause

(a) In the event that Contractor breaches any of its material duties or obligations under this Contract (including a Chronic Failure to meet any particular SLA as defined in **Section 2.076**), which are either not capable of or subject to being cured, or are not cured within the time period specified in the written notice of breach provided by the State (such time period not to be less than thirty (30) days), or pose a serious and imminent threat to the health and safety of any person, or the imminent loss, damage or destruction of any real or tangible personal property, the State may, having provided written notice of termination to Contractor, terminate this Contract in whole or in part, for cause, as of the date specified in the notice of termination.

(b) In the event that this Contract is terminated for cause, in addition to any legal remedies otherwise available to the State by law or equity, Contractor shall be responsible for all costs incurred by the State in terminating this Contract, including but not limited to, State administrative costs, reasonable attorneys' fees and court costs, and any reasonable additional costs the State may incur to procure the Services/Deliverables required by this Contract from other sources. Re-procurement costs shall not be considered by the parties to be consequential, indirect or incidental damages, and shall not be excluded by any other terms otherwise included in this Contract, provided such costs are not in excess of fifty percent (50%) more than the prices for such Service/Deliverables provided under this Contract.

(c) In the event the State chooses to partially terminate this Contract for cause, charges payable under this Contract will be equitably adjusted to reflect those Services/Deliverables that are terminated and the State shall pay for all Services/Deliverables for which Final Acceptance has been granted provided up to the



termination date. Services and related provisions of this Contract that are terminated for cause shall cease on the effective date of the termination.

(d) In the event this Contract is terminated for cause pursuant to this Section, and it is determined, for any reason, that Contractor was not in breach of contract pursuant to the provisions of this section, that termination for cause shall be deemed to have been a termination for convenience, effective as of the same date, and the rights and obligations of the parties shall be limited to that otherwise provided in this Contract for a termination for convenience.

2.212 Termination for Convenience

The State may terminate this Contract for its convenience, in whole or part, if the State determines that such a termination is in the State's best interest. Reasons for such termination shall be left to the sole discretion of the State and may include, but not necessarily be limited to (a) the State no longer needs the Services or products specified in the Contract, (b) relocation of office, program changes, changes in laws, rules, or regulations make implementation of the Services no longer practical or feasible, (c) unacceptable prices for Additional Services or New Work requested by the State, or (d) falsification or misrepresentation, by inclusion or non-inclusion, of information material to a response to any CONTRACT issued by the State. The State may terminate this Contract for its convenience, in whole or in part, by giving Contractor written notice at least thirty (30) days prior to the date of termination. If the State chooses to terminate this Contract in part, the charges payable under this Contract shall be equitably adjusted to reflect those Services/Deliverables that are terminated. Services and related provisions of this Contract that are terminated for cause shall cease on the effective date of the termination.

2.213 Non-Appropriation

(a) Contractor acknowledges that, if this Contract extends for several fiscal years, continuation of this Contract is subject to appropriation or availability of funds for this Contract. If funds to enable the State to effect continued payment under this Contract are not appropriated or otherwise made available, the State shall have the right to terminate this Contract and all affected Statements of Work, in whole or in part, at the end of the last period for which funds have been appropriated or otherwise made available by giving written notice of termination to Contractor. The State shall give Contractor at least thirty (30) days advance written notice of termination for non-appropriation or unavailability (or such time as is available if the State receives notice of the final decision less than thirty (30) days before the funding cutoff).

(b) If funding for the Contract is reduced by law, or funds to pay Contractor for the agreed-to level of the Services or production of Deliverables to be provided by Contractor are not appropriated or otherwise made available, the State may, upon thirty (30) days written notice to Contractor, reduce the level of the Services or the change the production of Deliverables in such manner and for such periods of time as the State may elect. The charges payable under this Contract will be equitably adjusted to reflect any equipment, services or commodities not provided by reason of such reduction.

(c) In the event the State terminates this Contract, eliminates certain Deliverables, or reduces the level of Services to be provided by Contractor pursuant to this Section, the State shall pay Contractor for all Work-in-Process performed through the effective date of the termination or reduction in level, as the case may be and as determined by the State, to the extent funds are available. For the avoidance of doubt, this Section will not preclude Contractor from reducing or stopping Services/Deliverables and/or raising against the State in a court of competent jurisdiction, any claim for a shortfall in payment for Services performed or Deliverables finally accepted before the effective date of termination.

2.214 Criminal Conviction

The State may terminate this Contract immediately and without further liability or penalty in the event Contractor, an officer of Contractor, or an owner of a 25% or greater share of Contractor is convicted of a criminal offense incident to the application for, or performance of, a State, public or private Contract or subcontract; convicted of a criminal offense, including any of the following: embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, attempting to influence a public employee to breach the ethical conduct standards for State of Michigan employees; convicted under State or federal antitrust statutes; or convicted of any other criminal offense which in the sole discretion of the State reflects upon Contractor's business integrity.

**2.215 Approvals Rescinded**

The State may terminate this Contract without further liability or penalty in the event any final administrative or judicial decision or adjudication disapproves a previously approved request for purchase of personal services pursuant to Constitution 1963, Article 11, § 5, and Civil Service Rule 7-1. Termination may be in whole or in part and may be immediate as of the date of the written notice to Contractor or may be effective as of the date stated in such written notice.

2.216 Rights and Obligations Upon Termination

(a) If this Contract is terminated by the State for any reason, Contractor shall (a) stop all work as specified in the notice of termination, (b) take any action that may be necessary, or that the State may direct, for preservation and protection of Deliverables or other property derived or resulting from this Contract that may be in Contractor's possession, (c) return all materials and property provided directly or indirectly to Contractor by any entity, agent or employee of the State, (d) in the event that the Contractor maintains title in Deliverables that is intended to be transferred to the State at the termination of the Contract, Contractor will transfer title in, and deliver to, the State, unless otherwise directed, all Deliverables intended to be transferred to the State at the termination of the Contract and which are resulting from the Contract (which shall be provided to the State on an "As-Is" basis except to the extent the amounts paid by the State in respect of such items included compensation to Contractor for the provision of warranty services in respect of such materials), and (e) take any action to mitigate and limit any potential damages, or requests for Contractor adjustment or termination settlement costs, to the maximum practical extent, including terminating or limiting as otherwise applicable those subcontracts and outstanding orders for material and supplies resulting from the terminated Contract.

(b) In the event the State terminates this Contract prior to its expiration for its own convenience, the State shall pay Contractor for all charges due for Services provided prior to the date of termination and, if applicable, as a separate item of payment pursuant to this Contract, for Work In Process, on a percentage of completion basis at the level of completion determined by the State. All completed or partially completed Deliverables prepared by Contractor pursuant to this Contract shall, at the option of the State, become the State's property, and Contractor shall be entitled to receive equitable fair compensation for such Deliverables. Regardless of the basis for the termination, the State shall not be obligated to pay, or otherwise compensate, Contractor for any lost expected future profits, costs or expenses incurred with respect to Services not actually performed for the State.

(c) Upon a good faith termination, the State shall have the right to assume, at its option, any and all subcontracts and agreements for services and deliverables provided under this Contract, and may further pursue completion of the Services/Deliverables under this Contract by replacement contract or otherwise as the State may in its sole judgment deem expedient.

2.217 Reservation of Rights

Any termination of this Contract or any Statement of Work issued under it by a party shall be with full reservation of, and without prejudice to, any rights or remedies otherwise available to such party with respect to any claims arising prior to or as a result of such termination.

2.218 Contractor Transition Responsibilities

In the event this contract is terminated, for convenience or cause, dissolved, voided, rescinded, nullified, expires or is otherwise rendered unenforceable, the Contractor will comply with direction provided by the State to assist in the orderly transition of equipment, services, software, leases, etc. to the State or a third party designated by the State. In the event of termination or the expiration of this Contract, the Contractor will make all reasonable efforts to effect an orderly transition of services within a reasonable period of time that in no event will exceed ninety (90) days. These efforts shall include, but are not limited to, the following:

(a) Personnel - The Contractor shall work with the State, or a specified third party, to develop a transition plan setting forth the specific tasks and schedule to be accomplished by the parties, to effect an orderly transition. The Contractor shall allow as many personnel as practicable to remain on the job to help the State, or a specified third party, maintain the continuity and consistency of the services required by this Contract. In addition, during or following the transition period, in the event the State requires the Services of the Contractor's Sub or Contractors, as necessary to meet its needs, Contractor will reasonably, and with



good-faith, work with the State to use the Services of Contractor's Sub or Contractors. Contractor will notify all of Contractor's Subs of procedures to be followed during transition.

(b) Information - The Contractor will provide reasonable detailed specifications for all Services/Deliverables needed by the State, or specified third party, to properly provide the Services/Deliverables required under this Contract. The Contractor will provide the State with asset management data generated from the inception of this Contract through the date on which this Contractor is terminated in a comma-delineated format unless otherwise requested by the State. The Contractor will deliver to the State any remaining owed reports and documentation still in Contractor's possession subject to appropriate payment by the State.

(d) Software. - The Contractor shall reasonably assist the State in the acquisition of any Contractor software required to perform the Services/use the Deliverables under this Contract. This shall include any documentation being used by the Contractor to perform the Services under this Contract. If the State transfers any software licenses to the Contractor, those licenses shall, upon expiration of the Contract, transfer back to the State at their current revision level. Upon notification by the State, Contractor may be required to freeze all non-critical changes to Deliverables/Services.

(e) Payment - If the transition results from a termination for any reason, reimbursement shall be governed by the termination provisions of this Contract. If the transition results from expiration, the Contractor will be reimbursed for all reasonable transition costs (i.e. costs incurred within the agreed period after contract expiration that result from transition operations) at the rates specified by **Exhibit D**. The Contractor will prepare an accurate accounting from which the State and Contractor may reconcile all outstanding accounts.

2.219 State Transition Responsibilities

In the event that this Contract is terminated, dissolved, voided, rescinded, nullified, or otherwise rendered unenforceable, the State agrees to perform the following obligations, and any others upon which the State and the Contractor agree:

- (a) Reconciling all accounts between the State and the Contractor;
- (b) Completing any pending post-project reviews.

2.220 Termination by Contractor

2.221 Termination by Contractor

If the State materially breaches its obligation to pay Contractor undisputed amounts due and owing under this Contract in accordance with **Section 2.090**, or if the State breaches its other obligations under this Contract to an extent that makes it impossible or commercially impractical for Contractor to perform the Services, and if the State does not cure the breach within the time period specified in a written notice of breach provided to the State by Contractor (such time period not to be less than thirty (30) days), then Contractor may terminate this Contract, in whole or in part based on Statement of Work for cause, as of the date specified in the notice of termination; provided, however, that Contractor must discharge its obligations under **Section 2.250** before any such termination.

2.230 Stop Work

2.231 Stop Work Orders

The State may, at any time, by written stop work order to Contractor, require that Contractor stop all, or any part, of the work called for by the Contract for a period of up to ninety (90) calendar days after the stop work order is delivered to Contractor, and for any further period to which the parties may agree. The stop work order shall be specifically identified as such and shall indicate that it is issued under this **Section 2.230**. Upon receipt of the stop work order, Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the stop work order during the period of work stoppage. Within the period of the stop work order, the State shall either: (a) cancel the stop work order; or (b) terminate the work covered by the stop work order as provided in **Section 2.210**.

**2.232 Cancellation or Expiration of Stop Work Order**

If a stop work order issued under this **Section 2.230** is canceled or the period of the stop work order or any extension thereof expires, Contractor shall resume work. The parties shall agree upon an equitable adjustment in the delivery schedule, the Contract price, or both, and the Contract shall be modified, in writing, accordingly, if: (a) the stop work order results in an increase in the time required for, or in Contractor's costs properly allocable to, the performance of any part of the Contract; and (b) Contractor asserts its right to an equitable adjustment within thirty (30) calendar days after the end of the period of work stoppage; provided that, if the State decides the facts justify the action, the State may receive and act upon a Contractor proposal submitted at any time before final payment under the Contract. Any adjustment will conform to the requirements of **Section 2.106**.

2.233 Allowance of Contractor Costs

If the stop work order is not canceled and the work covered by the stop work order is terminated for reasons other than material breach, such termination shall be deemed to be a termination for convenience under **Section 2.212**, and the State shall allow reasonable costs resulting from the stop work order in arriving at the termination settlement. For the avoidance of doubt, the State shall not be liable to Contractor for loss of profits because of a stop work order issued under this **Section 2.230**.

2.240 Reserved**2.250 Dispute Resolution****2.251 In General**

Any claim, counterclaim, or dispute between the State and Contractor arising out of or relating to the Contract or any Statement of Work shall be resolved as follows. For all Contractor claims seeking an increase in the amounts payable to Contractor under the Contract, or the time for Contractor's performance, Contractor shall submit a letter executed by Contractor's Contract Administrator or his designee certifying that (a) the claim is made in good faith, (b) the amount claimed accurately reflects the adjustments in the amounts payable to Contractor or the time for Contractor's performance for which Contractor believes the State is liable and covers all costs of every type to which Contractor is entitled from the occurrence of the claimed event, and (c) the supporting data provided with such an affidavit are current and complete to Contractor's best knowledge and belief.

2.252 Informal Dispute Resolution

(a) All operational disputes between the parties shall be resolved under the Contract Management procedures developed pursuant to **Section 2.100**. If the parties are unable to resolve any disputes after compliance with such processes, the parties shall meet with the Director of Purchasing Operations, DMB, or designee, for the purpose of attempting to resolve such dispute without the need for formal legal proceedings, as follows:

(i) The representatives of Contractor and the State shall meet as often as the parties reasonably deem necessary in order to gather and furnish to each other all information with respect to the matter in issue which the parties believe to be appropriate and germane in connection with its resolution. The representatives shall discuss the problem and negotiate in good faith in an effort to resolve the dispute without the necessity of any formal proceeding.

(ii) During the course of negotiations, all reasonable requests made by one party to another for non-privileged information reasonably related to the Contract will be honored in order that each of the parties may be fully advised of the other's position.

(iii) The specific format for the discussions will be left to the discretion of the designated State and Contractor representatives, but may include the preparation of agreed upon statements of fact or written statements of position.

(iv) Following the completion of this process within sixty (60) calendar days, the Director of Purchasing Operations, DMB, or designee, shall issue a written opinion regarding the issue(s) in dispute within thirty (30) calendar days. The opinion regarding the dispute shall be considered the State's final action and the exhaustion of administrative remedies.



(b) This **Section 2.250** will not be construed to prevent either party from instituting, and a party is authorized to institute, formal proceedings earlier to avoid the expiration of any applicable limitations period, to preserve a superior position with respect to other creditors, or pursuant to **Section 2.253**.

(c) The State will not mediate disputes between the Contractor and any other entity, except state agencies, concerning responsibility for performance of work pursuant to the Contract.

2.253 Injunctive Relief

The only circumstance in which disputes between the State and Contractor will not be subject to the provisions of **Section 2.252** is where a party makes a good faith determination that a breach of the terms of the Contract by the other party is such that the damages to such party resulting from the breach will be so immediate, so large or severe and so incapable of adequate redress after the fact that a temporary restraining order or other immediate injunctive relief is the only adequate remedy.

2.254 Continued Performance

Each party agrees to continue performing its obligations under the Contract while a dispute is being resolved except to the extent the issue in dispute precludes performance (dispute over payment shall not be deemed to preclude performance) and without limiting either party's right to terminate the Contract as provided in **Section 2.210** and **2.220**, as the case may be.

2.260 Federal and State Contract Requirements

2.261 Nondiscrimination

In the performance of the Contract, Contractor agrees not to discriminate against any employee or applicant for employment, with respect to his or her hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, because of race, color, religion, national origin, ancestry, age, sex, height, weight, marital status, physical or mental disability. Contractor further agrees that every subcontract entered into for the performance of this Contract or any purchase order resulting from this Contract will contain a provision requiring non-discrimination in employment, as specified here, binding upon each Contractor Sub. This covenant is required pursuant to the Elliot Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, *et seq.*, and the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, *et seq.*, and any breach of this provision may be regarded as a material breach of the Contract.

2.262 Unfair Labor Practices

Pursuant to 1980 PA 278, MCL 423.231, *et seq.*, the State shall not award a Contract or subcontract to an employer whose name appears in the current register of employers failing to correct an unfair labor practice compiled pursuant to section 2 of the Act. This information is compiled by the United States National Labor Relations Board. A Contractor of the State, in relation to the Contract, shall not enter into a contract with a Contractor Sub, manufacturer, or supplier whose name appears in this register. Pursuant to section 4 of 1980 PA 278, MCL 423.324, the State may void any Contract if, subsequent to award of the Contract, the name of Contractor as an employer or the name of the Contractor Sub, manufacturer or supplier of Contractor appears in the register.

2.263 Workplace Safety and Discriminatory Harassment

In performing Services for the State, the Contractor shall comply with the Department of Civil Services Rule 2-20 regarding Workplace Safety and Rule 1-8.3 regarding Discriminatory Harassment. In addition, the Contractor shall comply with Civil Service regulations and any applicable agency rules provided to the Contractor. For Civil Service Rules, see <http://www.mi.gov/mdcs/0,1607,7-147-6877---,00.html>.

2.270 Litigation

2.271 Disclosure of Litigation

(a) Disclosure. Contractor must disclose any material criminal litigation, investigations or proceedings involving the Contractor (and each Contractor Sub) or any of its officers or directors or any litigation, investigations or proceedings under the Sarbanes-Oxley Act. In addition, each Contractor (and each Contractor Sub) must notify the State of any material civil litigation, arbitration or proceeding which arises



during the term of the Contract and extensions thereto, to which Contractor (or, to the extent Contractor is aware, any Contractor Sub hereunder) is a party, and which involves: (i) disputes that might reasonably be expected to adversely affect the viability or financial stability of Contractor or any Contractor Sub hereunder; or (ii) a claim or written allegation of fraud against Contractor or, to the extent Contractor is aware, any Contractor Sub hereunder by a governmental or public entity arising out of their business dealings with governmental or public entities. Any such litigation, investigation, arbitration or other proceeding (collectively, "Proceeding") must be disclosed in a written statement to the Contract Administrator within thirty (30) days of its occurrence. Details of settlements which are prevented from disclosure by the terms of the settlement may be annotated as such. Information provided to the State from Contractor's publicly filed documents referencing its material litigation will be deemed to satisfy the requirements of this Section.

(b) Assurances. In the event that any such Proceeding disclosed to the State pursuant to this Section, or of which the State otherwise becomes aware, during the term of this Contract would cause a reasonable party to be concerned about:

- (i) the ability of Contractor (or a Contractor Sub hereunder) to continue to perform this Contract in accordance with its terms and conditions, or
- (ii) whether Contractor (or a Contractor Sub hereunder) in performing Services for the State is engaged in conduct which is similar in nature to conduct alleged in such Proceeding, which conduct would constitute a breach of this Contract or a violation of Michigan law, regulations or public policy, then Contractor shall be required to provide the State all reasonable assurances requested by the State to demonstrate that:

(A) Contractor and/or its Contractor's Sub hereunder will be able to continue to perform this Contract and any Statements of Work in accordance with its terms and conditions, and

(B) Contractor and/or its Contractor's Sub hereunder have not and will not engage in conduct in performing the Services which is similar in nature to the conduct alleged in such Proceeding.

(c) Contractor shall make the following notifications in writing:

(1) Within thirty (30) days of Contractor becoming aware that a change in its ownership or officers has occurred, or is certain to occur, or a change that could result in changes in the valuation of its capitalized assets in the accounting records, Contractor shall notify the Office of Purchasing Operations.

(2) Contractor shall also notify the Office of Purchasing Operations within thirty (30) days whenever changes to asset valuations or any other cost changes have occurred or are certain to occur as a result of a change in ownership or officers.

(3) Contractor shall also notify Purchasing Operations within thirty (30) days whenever changes to company affiliations occur.

2.272 Governing Law

The Contract shall in all respects be governed by, and construed in accordance with, the substantive laws of the State of Michigan without regard to any Michigan choice of law rules that would apply the substantive law of any other jurisdiction to the extent not inconsistent with, or pre-empted by federal law.

2.273 Compliance with Laws

Contractor shall comply with all applicable state, federal, and local laws and ordinances ("Applicable Laws") in providing the Services/Deliverables.

2.274 Jurisdiction

Any dispute arising from the Contract shall be resolved in the State of Michigan. With respect to any claim between the parties, Contractor consents to venue in Ingham County, Michigan, and irrevocably waives any objections it may have to such jurisdiction on the grounds of lack of personal jurisdiction of such court or the laying of venue of such court or on the basis of forum non conveniens or otherwise. Contractor will appoint agents in the State of Michigan to receive service of process.

2.280 Environmental Provision



2.281 Environmental Provision

For the purposes of this Section, "Hazardous Materials" is a generic term used to describe asbestos, ACBMs, PCBs, petroleum products, such construction materials as paint thinners, solvents, gasoline, oil, etc., and any other material the manufacture, use, treatment, storage, transportation or disposal of which is regulated by the federal, state or local laws governing the protection of the public health, natural resources or the environment. This includes, but is not limited to, materials such as batteries and circuit packs, and other materials that are regulated as (1) "Hazardous Materials" under the Hazardous Materials Transportation Act, (2) "chemical hazards" under the Occupational Safety and Health Administration standards, (3) "chemical substances or mixtures" under the Toxic Substances Control Act, (4) "pesticides" under the Federal Insecticide Fungicide and Rodenticide Act, and (5) "hazardous wastes" as defined or listed under the Resource Conservation and Recovery Act. This Contract does not cover the handling, removal, or disposal of all Hazardous Materials.

(a) The Contractor shall use, handle, store, dispose of, process, transport and transfer any material considered a Hazardous Material in accordance with all federal, State and local laws. The State shall provide a safe and suitable environment for performance of Contractor's Work. Prior to the commencement of Work, the State shall advise Contractor of the presence at the work site of any Hazardous Material to the extent that the State is aware of such Hazardous Material. If the Contractor encounters material reasonably believed to be a Hazardous Material and which may present a substantial danger, the Contractor shall immediately stop all affected Work, give written notice to the State of the conditions encountered, and take appropriate health and safety precautions.

(b) Upon receipt of a written notice, the State will investigate the conditions. If (a) the material is a Hazardous Material that may present a substantial danger, and (b) the Hazardous Material was not brought to the site by the Contractor, or does not result in whole or in part from any violation by the Contractor of any laws covering the use, handling, storage, disposal of, processing, transport and transfer of Hazardous Materials, the State shall order a suspension of Work in writing. The State shall proceed to have the Hazardous Material removed or rendered harmless. In the alternative, the State shall terminate the affected Work for the State's convenience.

(c) Once the Hazardous Material has been removed or rendered harmless by the State, the affected Work shall be resumed as directed in writing by the State. Any determination by the Michigan Department of Community Health and/or the Michigan Department of Environmental Quality (whichever is applicable) that the Hazardous Material has either been removed or rendered harmless shall be binding upon the State and Contractor for the purposes of resuming the Work. If any such incident with Hazardous Material results in delay not reasonable anticipatable under the circumstances and which is attributable to the State, the applicable SLAs for the affected Work will not be counted in **Section 2.076** for a time as mutually agreed by the parties.

(d) If the Hazardous Material was brought to the site by the Contractor, or results in whole or in part from any violation by the Contractor of any laws covering the use, handling, storage, disposal of, processing, transport and transfer of Hazardous Material, or from any other act or omission within the control of the Contractor, the Contractor shall bear its proportionate share of the delay and costs involved in cleaning up the site and removing and rendering harmless the Hazardous Material in accordance with Applicable Laws to the condition approved by applicable regulatory agency(ies). If the Contractor fails to take appropriate action pursuant to Applicable Laws and consistent with the State requirements, then the State may take appropriate action.

2.290 General

2.291 Amendments

The Contract may not be modified, amended, extended, or augmented, except by a writing executed by the parties.

2.292 Assignment

(a) Neither party shall have the right to assign the Contract, or to assign or delegate any of its duties or obligations under the Contract, to any other party (whether by operation of law or otherwise), without the prior written consent of the other party; provided, however, that the State may assign the Contract to any other State agency, department, division or department without the prior consent of Contractor and Contractor may assign the Contract to an affiliate so long as such affiliate is adequately capitalized and can provide adequate



assurances that such affiliate can perform the Contract. Any purported assignment in violation of this Section shall be null and void. It is the policy of the State of Michigan to withhold consent from proposed assignments, subcontracts, or novations when such transfer of responsibility would operate to decrease the State's likelihood of receiving performance on the Contract or the State's ability to recover damages.

(b) Contractor may not, without the prior written approval of the State, assign its right to receive payments due under the Contract. In the event of any such permitted assignment, Contractor shall not be relieved of its responsibility to perform any duty imposed upon it herein, and the requirement under the Contract that all payments shall be made to one entity shall continue.

2.293 Entire Contract; Order of Precedence

(a) The Contract, including any Statements of Work and Exhibits, to the extent not contrary to the Contract, each of which is incorporated for all purposes, constitutes the entire agreement between the parties with respect to the subject matter and supersedes all prior agreements, whether written or oral, with respect to such subject matter and as additional terms and conditions on the purchase order shall apply as limited by **Section 2.061**.

(b) In the event of any inconsistency between the terms of the Contract and a Statement of Work, the terms of the Statement of Work will take precedence (as to that Statement of Work only); provided, however, that a Statement of Work may not modify or amend the terms of **Sections 2.110 through 2.220** of the Contract, which may be modified or amended only by a formal Contract amendment.

2.294 Headings

Captions and headings used in the Contract are for information and organization purposes. Captions and headings, including inaccurate references, do not, in any way, define or limit the requirements or terms and conditions of the Contract.

2.295 Relationship of the Parties (Independent Contractor Relationship)

The relationship between the State and Contractor is that of client and independent Contractor. No agent, employee, or servant of Contractor or any of its Contractor's Sub shall be or shall be deemed to be an employee, agent or servant of the State for any reason. Contractor will be solely and entirely responsible for its acts and the acts of its agents, employees, servants and Contractor's Sub during the performance of the Contract.

2.296 Notices

(a) Any notice given to a party under the Contract shall be deemed effective, if addressed to such party as addressed below, upon: (i) delivery, if hand delivered; (ii) receipt of a confirmed transmission by facsimile if a copy of the notice is sent by another means specified in this Section; (iii) the third (3rd) Business Day after being sent by U.S. mail, postage pre-paid, return receipt requested; or (iv) the next Business Day after being sent by a nationally recognized overnight express courier with a reliable tracking system.

Doug Collier

Office of Purchasing Operations
Department of Management and Budget
Mason Bldg, 2nd Floor
PO Box 30026
Lansing, MI 48909
Phone: 517-335-4804
E-mail: collierd1@michigan.gov

with copies to:

Michael Breen

Department of Information Technology
Constitution Hall, 1st Floor N Tower
Lansing, MI 48909
E-mail: breenm@michigan.gov
(517) 241-7720



and

Steve McMahon

Michigan Dept. of Information Technology – Telecommunications
608 W. Allegan
Lansing, MI 48913
Phone: 517-373-6353
E-mail: mcmahons@michigan.gov

Contractor(s):

Sprint

Attn: Law Dept. – Public Sector
2001 Edmund Halley Drive, 4th Floor
Reston, VA 20191
Fax: (703) 433-4034

Either party may change its address where notices are to be sent by giving notice in accordance with this Section.

2.297 Media Releases and Contract Distribution

(a) Media Releases

Neither Contractor nor the State will make any news releases, public announcements or public disclosures, nor will they have any conversations with representatives of the news media, pertaining to the Contract, the Services or the Contract without the prior written approval of the other party, and then only in accordance with explicit written instructions provided by that party. In addition, neither Contractor nor the State will use the name, trademarks or other proprietary identifying symbol of the other party or its affiliates without such party's prior written consent. Prior written consent of the Contractor must be obtained from authorized representatives.

(b) Contract Distribution

Purchasing Operations shall retain the sole right of Contract distribution to all State agencies and local units of government unless other arrangements are authorized by Purchasing Operations.

2.298 Reformation and Severability

Each provision of the Contract shall be deemed to be severable from all other provisions of the Contract and, if one or more of the provisions of the Contract shall be declared invalid, the remaining provisions of the Contract shall remain in full force and effect.

2.299 Consents and Approvals

Except as expressly provided otherwise in the Contract, if either party requires the consent or approval of the other party for the taking of any action under the Contract, such consent or approval shall be in writing and shall not be unreasonably withheld or delayed.

2.300 No Waiver of Default

The failure of a party to insist upon strict adherence to any term of the Contract shall not be considered a waiver or deprive the party of the right thereafter to insist upon strict adherence to that term, or any other term, of the Contract.

2.301 Survival

Any provisions of the Contract that impose continuing obligations on the parties including the parties' respective warranty, indemnity and confidentiality obligations, shall survive the expiration or termination of the Contract for any reason. Specific references to survival in the Contract are solely for identification purposes and not meant to limit or prevent the survival of any other section.

2.302 Covenant of Good Faith

Each party agrees that, in its dealings with the other party or in connection with the Contract, it shall act reasonably and in good faith. Unless stated otherwise in the Contract, the parties will not unreasonably delay,



condition or withhold the giving of any consent, decision or approval that is either requested or reasonably required of them in order for the other party to perform its responsibilities under the Contract.

2.303 Permits

Contractor shall obtain and pay any associated costs for all required governmental permits, licenses and approvals for the delivery, installation and performance of the Services. The State shall pay for all costs and expenses incurred in obtaining and maintaining any necessary easements or right of way.

2.304 Website Incorporation

State expressly states that it will not be bound by any content on the Contractor's website, even if the Contractor's documentation specifically referenced that content and attempts to incorporate it into any other communication, unless the State has actual knowledge of such content and has expressly agreed to be bound by it in a writing that has been manually signed by an authorized representation of the State.

2.305 Taxes

Contractors are expected to collect and pay all applicable federal, state, and local employment taxes, including the taxes defined in Section 3.022 for all persons involved in the resulting Contract.

The State may refuse to award a contract to any Contractor who has failed to pay any applicable State taxes. The State may refuse to accept Contractor's bid, if Contractor has any outstanding debt with the State. Prior to any award, the State will verify whether Contractor has any outstanding debt with the State.

2.306 Prevailing Wage

The rates of wages and fringe benefits to be paid each class of individuals employed by the Contractor, its Contractor's Sub, their Contractor's Sub, and all persons involved with the performance of this Contract in privity of contract with the Contractor shall not be less than the wage rates and fringe benefits established by the Michigan Department of Labor and Economic Development, Wage and Hour Bureau, schedule of occupational classification and wage rates and fringe benefits for the local where the work is to be performed. The term Contractor shall include all general Contractors, prime Contractors, project managers, trade Contractors, and all of their Contractors or Contractor's Sub and persons in privity of contract with them.

The Contractor, its Contractor's Sub, their Contractor's Sub, and all persons involved with the performance of this contract in privity of contract with the Contractor shall keep posted on the work site, in a conspicuous place, a copy of all wage rates and fringe benefits as prescribed in the contract. You must also post, in a conspicuous place, the address and telephone number of the Michigan Department of Labor and Economic Development, the office responsible for enforcement of the wage rates and fringe benefits. You shall keep an accurate record showing the name and occupation of the actual wage and benefits paid to each individual employed in connection with this contract. This record shall be available to the State upon request for reasonable inspection.

If any trade is omitted from the list of wage rates and fringe benefits to be paid to each class of individuals by the Contractor, it is understood that the trades omitted shall also be paid not less than the wage rate and fringe benefits prevailing in the local where the work is to be performed.

2.307 Call Center Disclosure

Contractor and/or all Contractor's Sub involved in the performance of this Contract providing call or contact center services to the State must disclose the location of its call or contact center services to inbound callers. Failure to disclose this information shall be a material breach of this Contract.

2.308 Future Bidding Preclusion

Contractor acknowledges that, to the extent this Contract involves the creation, research, investigation or generation of a future CONTRACT, it may be precluded from bidding on the subsequent CONTRACT. The State reserves the right to disqualify any bidder if the State determines that the bidder has used its position (whether as an incumbent Contractor, or as a Contractor hired to assist with the CONTRACT development, or as a Contractor offering free assistance) to gain a leading edge on the competitive CONTRACT.



2.310 Reserved

2.320 Extended Purchasing

2.321 MiDEAL

Public Act 431 of 1984 permits DMB to provide purchasing services to any city, village, county, township, school district, intermediate school district, non-profit hospital, institution of higher education, community, or junior college. A current listing of approved program members is available at: <http://www.michigan.gov/doingbusiness/0,1607,7-146-6586-16656--,00.html>. Unless otherwise stated, it is the responsibility of the Contractor to ensure that the non-state agency is an authorized purchaser before extending the Contract pricing.

The Contractor will supply Contract Services and equipment at the established State of Michigan contract prices and terms to the extent applicable and where available. Inasmuch as these are non-state agencies, all invoices will be submitted to and payment remitted by the local unit of government on a direct and individual basis.

To the extent that authorized local units of government purchase quantities of Services and/or equipment under this Contract, the quantities of Services and/or equipment purchased will be included in determining the appropriate rate wherever tiered pricing based on quantity is provided.

2.322 State Employee Purchases

The State allows State employees to purchase from this Contract. Unless otherwise stated, it is the responsibility of the Contractor to ensure that the State employee is an authorized purchaser before extending the Contract pricing.

The Contractor will supply Contract Services and Deliverables at the established State of Michigan contract prices and terms to the extent applicable and where available. Inasmuch as these are non-state agencies, all invoices will be submitted to and payment remitted by the State employee on a direct and individual basis.

To the extent that authorized State employees purchase quantities of Services and/or Deliverables under this Contract, the quantities of Services and/or Deliverables purchased will be included in determining the appropriate rate wherever tiered pricing based on quantity is provided.

2.330 Federal Grant Requirements

2.331 RESERVED - Federal Grant Requirements



**Exhibit A
Area Coverage Maps**

Please use the following Link to get the most current Coverage's

www.Sprint.com/coverage



Exhibit B Account Rep Info

- a. Contractor will assign a support specialist as a single point-of-contact via a dedicated number for handling issues with your corporate account (billing, orders and activations, account changes, etc.).
- b. The SOM's Account Team's regular hours are 8 a.m.-5 p.m. local time, Monday-Friday. The account team contact information is below.

Issue	Point of Contact
Billing (248) 867-0614 Paul.Knickelbein@Sprint.com	Paul Knickelbein, Wireless Field Support (WFS)
Billing Escalations (248) 893-8488 Karen.Morrell-Guinyard@Sprint.com	Karen Morrell-Guinyard, WFS Manager
Sales (616) 821-8275 Josh.A.Martin@Sprint.com	Josh Martin, Public Sector Account Executive
Sales Escalations (616) 974-2407 Kay.B.Babcock@Sprint.com	Kay Babcock, Sales Manager
Escalations (248) 866-1532 Paul.Tisch@Sprint.com	Paul Tisch, Public Sector Account Manager
Second Point of Escalations (248) 893-8196 Michael.Ratti@Sprint.com	Michael Ratti, Director of Midwest Area Public Sector
Corporate Point of Escalations (248) 248-893-8882 Kimberly.Green-Kerr@Sprint.com	Kim Green-Kerr, Regional Vice President – North Region



Exhibit C Pricing

Under Special Pricing approval number #BSG0707-0552R2, Sprint offers:

Government Discount. The Government Discount, described in the table below, is a percentage discount off the eligible monthly recurring charges (“MRCs”) charged for Customer-Liable Active Units.

Network	Government Service Pricing Discount	Individual-Liable Service Pricing Discount
Sprint National Network	25%	15%
Nextel National Network	25%	15%

1. **NEXTEL VOICE AND DATA RATE PLANS.** Customer may select from the Nextel voice and data rate plans listed in this Attachment or promotional rate plans which Sprint may offer on a limited time basis.

1.1 Business Essentials with 7 P.M. Plan.

	Business Essentials 400	Business Essentials 1000	Business Essentials 1400	Business Essentials 2000	Business Essentials 3000	Business Essentials 4000
MRC	\$39.99	\$59.99	\$79.99	\$99.99	\$149.99	\$149.99
Anytime Minutes	400	1000	1400	2000	3000	4000
Anytime Minutes Overage	\$0.40/minute	\$0.40/minute	\$0.40/minute	\$0.40/minute	\$0.40/minute	\$0.40/minute
Local & Nationwide Walkie-Talkie	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Unlimited Nights & Weekends starting at 7 p.m.	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Shared Minutes	Included	Included	Included	Included	Included	Included
Nationwide Long Distance	Included	Included	Included	Included	Included	Included
Roaming	Not Available	Not Available	Not Available	Not Available	Not Available	Not Available
Caller ID & Voice Mail	Included	Included	Included	Included	Included	Included

Note: TalkgroupSM, Group Walkie-Talkie and International Walkie-Talkie charges not included. Walkie-Talkie available on Walkie-Talkie enabled devices only.

1.2 Business Essentials with 7 P.M. Add-a-Phone Plan.

	Business Essentials Add-a-Phone
MRC	\$20.00
Anytime Minutes	0
Anytime Minutes Overage	\$0.40/minute
Local & Nationwide Walkie Talkie	Unlimited
Unlimited Nights & Weekends starting at 7 pm	Unlimited
Shared Minutes	Included
Nationwide Long Distance	Included
Roaming	Not Available
Caller ID & Voice Mail	Included



- A. Add-a-Phone requires the purchase of a Sprint Business Essentials® Plan with Anytime Minutes.

1.3 Free Incoming Plans.

	Free Incoming 300	Free Incoming 500	Free Incoming 800	Free Incoming 1000
MRC	\$39.99	\$59.99	\$79.99	\$99.99
Anytime Minutes	300	500	800	1,000
Anytime Minutes Overage	\$0.45/minute	\$0.45/minute	\$0.45/minute	\$0.45/minute
Local & Nationwide Walkie-Talkie	Unlimited	Unlimited	Unlimited	Unlimited
Unlimited Nights & Weekends starting at 9 pm	Unlimited	Unlimited	Unlimited	Unlimited
Nationwide Long Distance	Included	Included	Included	Included
Roaming	Not available	Not available	Not available	Not available
Shared Minutes	Not available	Not available	Not available	Not available
Caller ID & Voice Mail	Included	Included	Included	Included

Note: TalkgroupSM, Group Walkie-Talkie and International Walkie-Talkie charges not included. Walkie-Talkie available on Walkie-Talkie enabled devices only.

1.4 NEXTEL® UNLIMITED WALKIE-TALKIE PLANS

Plan Offering	National	International
MRC	\$35.99	\$45.99
Anytime Minutes	0	0
Anytime Minutes Overage	\$0.10/minute	\$0.10/minute
Local & Nationwide Walkie-Talkie	Unlimited	Unlimited
Group Walkie-Talkie	Unlimited	Unlimited
Text Messages	Unlimited	Unlimited
Nationwide Long Distance	Included	Included
Roaming	Not Available	Not Available
International Walkie-Talkie	N/A	Unlimited
Mexico Cross Border Plan	N/A	Included

- A. TalkgroupSM and International Text Message charges not included. Walkie-Talkie available on Walkie-Talkie enabled devices only. Mobile to Mobile add-on not available.
- B. Nights and Weekends available for \$10 add-on. Nights and Weekends at 7pm available for \$15 add-on.
- C. Caller ID and Voicemail available for an additional \$1.00 MRC each. Calls to Voicemail will be charged at the Anytime Minutes Overage rate.
- D. Nextel Unlimited Walkie-Talkie Plans available only on the Nextel National Network.
- E. The Mexico Cross Border Plan provides no international long distance charges on calls to designated Mexican Border Communities* and \$0.05 per minute for calls to the rest of Mexico.

* Mexican Border Communities				
Agua Prieta	Ensenada	Naco	Piedras Negras	San Luis Rio Colorado
Altar	Las Palomas - Berrendo	Nogales	Playas de Rosarito (Tij)	Sonoita
Ciudad Juarez	Matamoros	Nuevo Laredo	Reynosa	Tecate
Cuidad Acuna	Mexicali	Ojinaga	San Geronimo	Tijuana

1.5 Unlimited Mobile-to-Mobile Calling Add-On.

	Unlimited Mobile-to-Mobile
MRC	\$5.00

Note 1: Mobile-to-Mobile minutes may be between Nextel, Sprint PCS, and Boost subscribers.



Note 2

Long distance charges apply to any plans that do not expressly include Nationwide Long Distance.

1.6 Unlimited Nights and Weekends Add-On.

	Unlimited Nights and Weekends – 7 pm	Unlimited Nights and Weekends – 6 pm
MRC	\$5.00	\$10.00

1.7 NEXTEL VOICE PLAN ADD-ONS. The following options may be added to a Nextel Voice Business Plan on a per-Corporate-Liable Active Unit basis for the listed additional MRC, unless otherwise noted:

	Nextel Data Pack	Unlimited Data Access	Web Plan	Multimedia Messaging Service	Casual Usage Text Messages	300 Domestic Text Messages	1000 Domestic Text Messages	Unlimited Domestic Text Messages
MRC	\$10.00	\$10.00	\$5.00	\$5.00	\$0	\$5.00	\$10.00	\$15.00
Text Message	0	0	0	0	0	300	1000	Unlimited
Image/Audio Messages	Unlimited	0	0	50	0	0	0	0
Overage Rate – Text Messages	\$0.10 per message	\$0.10 per message	\$0.10 per message	\$0.10 per message	\$0.10 per message	\$0.10 per message	\$0.10 per message	N/A
Overage Rate – Image/Audio Messages	N/A	\$0.25 per message	\$0.25 per message	\$0.25 per message	\$0.25 per message	\$0.25 per message	\$0.25 per message	\$0.25 per message
Instant Messaging	Included	N/A						
Unlimited Web Access	Included	N/A						
Unlimited Data Access	Included	Included						
Mobile Email	Included	N/A						

- A. Customer must have a device capable of sending or receiving image/audio or text messages.
- B. Unlimited Data Access Plan requires a business application.
- C. Public IP for additional \$3 per month on the Unlimited Data Access or Nextel Data Services Pack plans.
- D. Web plan requires a voice plan and provides access to over 80 top wireless internet sites for news, weather, sports, entertainment, and travel. Internet sites available on Web plan subject to change at Sprint's discretion.

1.8 NEXTEL BUSINESS SOLUTIONS. Nextel Business Solutions are Nextel-billed third party location and mobility services. Except as otherwise provided, these solutions may be added to a voice Business Plan on a per-Corporate Liable Active Unit basis for the listed additional MRC and NRC.**A. Nextel Business Solutions Attachables**

Application	MRC	Non-recurring charge
ActSoft Comet Tracker Lite	\$19.95	\$20.00
Agilis SmartConnect ^{(1)*}	\$14.99	\$25.00
Agilis SmartLocate ^{(1)*}	\$11.99	\$25.00
Agilis SmartLocate & SmartConnect Bundle ^{(1)*}	\$23.99	\$25.00
Agilis SmartLocate, SmartConnect & SmartRoute Bundle ^{(1)*}	\$49.99	\$25.00
Corrigo Connect Base*	\$14.00	N/A
Corrigo Cost Allocation & Parts Catalog ^{(2)*}	\$10.00	N/A
Corrigo Punch List ^{(2)*}	\$10.00	N/A
Corrigo Inventory Management ^{(2)*}	\$15.00	N/A
Corrigo Invoicing ^{(2)*}	\$10.00	N/A



Application	MRC	Non-recurring charge
Corrigo Scheduled Work ^{(2)*}	\$10.00	N/A
Corrigo Customer Portal ^{(2)*}	\$15.00	N/A
Gearworks eTrace Worksight*	\$14.95	\$25.00
Gearworks eTrace Worksight Lite	\$19.95	\$25.00
J2X Handheld Connect*	\$19.95	N/A
TeleNav Track Lite	\$19.99	\$19.99
XORA Timetrack API	\$19.98	\$24.99
XORA Timetrack Basic*	\$11.99	\$24.99
XORA Timetrack Basic Business Plus*	\$15.98	\$24.99

(1) (1) Pricing may be tiered

(2) (2) Requires Corrigo Connect Base

(3) * Service requires the purchase of a Data Plan or Nextel Data Pack. Depending upon device a Blackberry Data Plan may be required instead.

- B. Service Pricing Discount.** Nextel Business Solutions are not eligible for Service Pricing Discounts. If a Data Plan, Nextel Data Pack or Blackberry Data Plan is required in addition to the application MRC, Service Pricing Discount will apply to those MRCs only.

1.9 NEXTEL BLACKBERRY SERVICE PLANS

- A.** Customer's use of the Research in Motion Limited ("RIM") Blackberry service offered by Sprint is subject to acceptance of the RIM terms and conditions presented to Customer before Customer may download the RIM software. The terms and condition for use of the Blackberry service are located at <http://na.blackberry.com/eng/legal/terms.jsp>, and are subject to change without prior notice to Customer.
- B.** Sprint did not manufacture the Blackberry products and is not responsible for any defects or for the acts or omissions of the manufacturer, RIM. The only warranties on Customer's Blackberry products are any limited warranties offered by RIM directly to Customer.
- C.** BlackBerry Plans can only be activated on a BlackBerry device.
- D.** Monthly Recurring Charges

	BlackBerry 10MB Email and Web Plan	BlackBerry Unlimited Email and Web Plan
MRC	\$39.99	\$44.99
Data Services in MB, BlackBerry Email, Internet or BlackBerry Browsing, Mobile BroadBand ("MBB"), Phone As Modem	10MB allotted for Email, Internet/Browsing, Data Mobile BroadBand and Phone As Modem	Unlimited
Overage per Kilobyte	\$0.001/KB	Not Applicable
Voice Rate	\$0.20 per minute	\$0.20 per minute
Long Distance Rate	Additional \$0.20 per minute	Additional \$0.20 per minute
Walkie Talkie / Talkgroup Rate	\$0.20 per minute / \$0.20 per minute	\$0.20 per minute / \$0.20 per minute

- (1) Voice minutes and long distance rates apply to Customers without a voice plan. Voice Minutes with Long Distance are \$0.40/per minute.
- (2) Additional charges apply for messaging service.



E. BlackBerry Enterprise Server (“BES”) Software and Client Access License (“CAL”) – Electronic Delivery

(1) Table 1

BES Software & Additional CALs	
<u>BES Software</u>	Non Recurring Charge
20 Users BES Software v. 4.1 - Includes 20 CALs	\$3,200
1 User BES Software v. 4.1 - 1 Includes 1 CAL	\$2,299
<u>Additional CALs</u>	Non Recurring Charge
BES CAL - 1 License	\$74
BES CAL - 5 Licenses	\$329
BES CAL - 10 Licenses	\$549
BES CAL - 50 Licenses	\$2,599
BES CAL - 100 Licenses	\$4,799
BES CAL - 500 Licenses	\$22,599
BES CAL - 1,000 Licenses	\$41,499

- (a) BES Software supports Microsoft Exchange, IBM Lotus Domino, and Novell Groupwise.
- (b) BES Software includes CAL(s) equal to the number of supported users.
- (c) BES Software charges do not include server hardware.

(2) Table 2

Small Business Edition (“SBE”)	
<u>BES Software</u>	Non Recurring Charge
SBE BES Software v. 4.1 – Includes 5 CALs; supports up to 15 users	\$749
<u>Additional CALs</u>	Non Recurring Charge
SBE BES CAL - 1 License	\$74
SBE BES CAL - 5 Licenses	\$329
<u>Other</u>	Non Recurring Charge
SBE to Full BES Product Upgrade	\$2,299

- (a) SBE BES Software supports Microsoft Exchange, IBM Lotus Domino, and Novell Groupwise.
- (b) SBE BES Software includes CAL(s) equal to the number of supported users.
- (c) SBE BES Software subject to a 15 user maximum.
- (d) SBE BES Software charges do not include server hardware.

(3) Table 3

BES Secure/Multipurpose Internet Mail Extensions (“S/MIME”) CAL for Microsoft Exchange	
BES S/MIME CAL - 1 License	\$139
BES S/MIME CAL - 5 Licenses	\$639
BES S/MIME CAL - 10 Licenses	\$960
BES S/MIME CAL - 50 Licenses	\$3,999
BES S/MIME CAL - 100 Licenses	\$6,999
BES S/MIME CAL - 500 Licenses	\$27,499
BES S/MIME CAL - 1,000 Licenses	\$39,999



(4) Table 4

Version Upgrades	Non Recurring Charge
BES Software 4.1 - Version Upgrade	\$699

(a) Upgrades available for Microsoft Exchange, IBM Lotus Domino, and Novell Groupwise.

- (5) **Technical Support** - Tx0 technical support is included with all new BES Software sales for a period of 60 days after purchase. Technical support does not include handheld or network support and is not available with BES upgrades. Rates for Tx1 to Tx5 technical support are available through your Sprint Account Representative.

1.10 NEXTEL DATA ACCESS PLANS

- A. Nextel Data Access Plans provide basic data access via the Nextel National Network (using iDEN technology). Voice plan not required. Customer Premise Equipment ("CPE"), installation, Managed Network Services ("MNS") and break/fix support are not included. Customers with only Sprint PCS Products and Services are not eligible for Nextel Data Access Plans.

- B. **Charges.** The following charges apply to the plan:

Nextel Data Access Plans	Plan Size (MB)		
	2	5	10
MRC	\$8.50	\$11.50	\$16.50
Overage	\$0.001	\$0.001	\$0.001

- (1) Overage rate is per KB.
 (2) The service pricing discount applies to all three plans.
 (3) Nextel Data Access Plan activations are not eligible for service credits, wireless device discounts, or rebates.

1.11 Wireless PC Access

	Unlimited Wireless PC Access Plan
MRC	\$45.00

Note 1 - Unlimited Wireless PC Access Plan is intended to support laptop or PDA web browsing and Internet based mail. Wireless modem sold separately.

1. **SPRINT PCS AFFILIATES.** Pricing in this Attachment may not be available to Active Units activated in Sprint PCS Affiliate Markets.

2. SPRINT PCS VOICE AND DATA PLANS FOR BUSINESS

2.1 Sprint Business Essentials® With 7 P.M. Plan.

	Business Essentials 400	Business Essentials 1000	Business Essentials 1400	Business Essentials 2000	Business Essentials 3000	Business Essentials 4000
MRC	\$39.99	\$59.99	\$79.99	\$99.99	\$149.99	\$149.99
Anytime Minutes	400	1000	1400	2000	3000	4000
Anytime Minutes Overage	\$0.40/minute	\$0.40/minute	\$0.40/minute	\$0.40/minute	\$0.40/minute	\$0.40/minute
Mobile to Mobile	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Unlimited Nights & Weekends starting at 7 p.m.	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Shared Minutes	Included	Included	Included	Included	Included	Included
Nationwide Long Distance	Included	Included	Included	Included	Included	Included
Roaming	Included	Included	Included	Included	Included	Included
Caller ID & Voice Mail	Included	Included	Included	Included	Included	Included



2.2 Sprint Business Essentials® With 7 P.M. Add-a-Phone Plan.

	Business Essentials Add-a-Phone
MRC	\$20.00
Anytime Minutes	0
Anytime Minutes Overage	\$0.40/minute
Mobile to Mobile	Unlimited
Unlimited Nights & Weekends starting at 7 pm	Unlimited
Shared Minutes	Included
Nationwide Long Distance	Included
Roaming	Included
Caller ID & Voice Mail	Included

Note 1 – Add-a-Phone requires the purchase of a Sprint Business Essentials® Plan with Anytime Minutes.

2.3 Sprint Free Incoming Plan.

	Sprint Free Incoming 300	Sprint Free Incoming 500	Sprint Free Incoming 800	Sprint Free Incoming 1000
MRC	\$39.99	\$59.99	\$79.99	\$99.99
Anytime Minutes	300	500	800	1000
Incoming Minutes	Unlimited	Unlimited	Unlimited	Unlimited
Anytime Minute Overage	\$0.45/minute	\$0.45/minute	\$0.45/minute	\$0.45/minute
Unlimited Nights & Weekends starting at 9 pm	Included	Included	Included	Included
Nationwide Long Distance	Included	Included	Included	Included
Domestic Voice Roaming	Included	Included	Included	Included
Domestic Voice Roaming Long Distance	Included	Included	Included	Included
Shared Minutes	Not Available	Not Available	Not Available	Not Available
Caller ID & Voice Mail	Included	Included	Included	Included

2.4 Sprint Unlimited Mobile-to-Mobile Calling Add-On.

	Unlimited Mobile-to-Mobile
MRC	\$5.00

Note 1: Mobile-to-Mobile minutes may be between Nextel, Sprint PCS, and Boost subscribers.

Note 2: Long distance charges apply to any plans that do not expressly include Nationwide Long Distance.

2.5 Unlimited Nights and Weekends Add-On

	Unlimited Nights and Weekends – 7 pm	Unlimited Nights and Weekends – 6 pm
MRC	\$5.00	\$10.00



- 2.6 **SPRINT VOICE PLAN ADD-ONS.** The following options may be added to a Sprint voice Business Plan on a per-Corporate-Liable Active Unit basis for the listed additional MRC, unless otherwise noted:

A. Sprint Vision Add-On

Voice Plan MRC*	All Plans
Sprint Vision Pack	\$15

B. Sprint Power Vision Add-Ons **

Voice Plan MRC*	All Plans
Sprint Power Vision Access Pack	\$15
Sprint Power Vision TV Pack	\$20
Sprint Power Vision Music Pack	\$20
Sprint Power Vision Navigation Pack	\$20
Sprint Power Vision Ultimate Pack	\$25
Sprint Power Vision PRO Pack	\$30

C. Additional Add-Ons

Voice Plan MRC*	All Plans
Sprint Unlimited Data Access***	\$10
Unlimited Sprint Ready Link for Sprint Business Essentials® Plans	\$5
Sprint to AudioConferencing †	\$5
Sprint Picture Mail	\$5
Sprint Voice Command	\$5
Integrated Office – Standard Package	\$4
Integrated Office – Expanded Package	\$8
International Long Distance Savings Plan	\$4
Sprint Plus Canada	\$15
Canada International Voice Roaming - \$0.20 per minute	\$2.99
0 Domestic Text Messages †††	\$0
300 Domestic Text Messages †††	\$5
1000 Domestic Text Messages †††	\$10
Unlimited Domestic Text Messages	\$15

- (1) *Some add-ons may not be applicable on certain voice plans. Charges for casual data usage are calculated on a per kilobyte basis unless customer selects a Sprint Voice Business Plan that includes a Sprint Vision Pack or customer selects a Sprint Vision or Power Vision add-on. Current casual data usage rates are available through customer's Sprint Account Representative.
- (2) ** Wireless high speed data-capable phones are ineligible for a Sprint Vision Pack, and must select a Sprint Power Vision Pack (if purchasing a Power Vision add-on). Wireless high speed data coverage is not available everywhere and requires a wireless high speed data-compatible phone. Where the wireless high speed data network is available and a wireless high speed data-compatible phone is used, Corporate-Liable Active Units will first attempt to connect to the wireless high speed data network, then default to the Sprint Vision 1xRTT network depending on coverage and network availability.



(3) *** Sprint Unlimited Data Access Plan requires a Sprint business application.

(4) † This add-on is limited to locations on the Sprint Nationwide Network. Calls are not eligible for inclusion while roaming (domestic or international) or to international conference bridges

(5) †† Subject to a \$0.10 per message Text Messaging overage rate.

2.7 SPRINT WORKGROUP SOLUTIONS. Sprint Workgroup Solutions are Sprint-billed third party location and mobility services. Except as otherwise provided, these solutions may be added to a voice Business Plan on a per-Corporate Liable Active Unit basis for the listed additional MRC and NRC.

A. Sprint Workgroup Solutions Add-Ons

Application	MRC	Non-recurring charge
Agilis SmartConnect*	\$14.99	\$25.00
Corrigo Connect Base*	\$14.00	N/A
Corrigo Cost Allocation & Parts Catalog ^{(1)*}	\$10.00	N/A
Corrigo Punch List ^{(1)*}	\$10.00	N/A
Corrigo Inventory Management ^{(1)*}	\$15.00	N/A
Corrigo Invoicing ^{(1)*}	\$10.00	N/A
Corrigo Scheduled Work ^{(1)*}	\$10.00	N/A
Corrigo Customer Portal ^{(1)*}	\$15.00	N/A
J2X Handheld Connect*	\$19.95	N/A

B. Additional Terms. For Sprint Workgroup Solutions listed below, Customer must comply with the Sprint Business Mobility Framework Services Product Annex, which is incorporated by reference into this Agreement as posted to www.sprint.com/ratesandconditions as of the date Customer signs the Agreement.

Application	MRC	Non-recurring charge
ActSoft Comet Tracker Lite	\$19.95	\$20.00
Agilis SmartLocate	\$19.99	\$25.00
Agilis SmartLocate & SmartConnect Bundle*	\$29.99	\$25.00
Agilis SmartLocate, SmartConnect & SmartRoute Bundle*	\$51.99	\$25.00
Gearworks eTrace Worksight	\$24.95	\$25.00
Gearworks eTrace Worksight Lite	\$19.95	\$25.00
TeleNav Track Lite	\$19.99	\$19.99
XORA Timetrack API	\$19.99	\$24.99
XORA Timetrack Basic*	\$21.99	\$24.99
XORA Timetrack Basic Business Plus*	\$25.98	\$24.99

(1) (i) Requires Corrigo Connect Base

(2) * Service requires the purchase of a Data Plan or Sprint Vision Pack. Depending upon device a Blackberry Data Plan may be required instead.



- C. Service Pricing Discounts.** Sprint Workgroup Solutions are not eligible for Service Pricing Discounts. If a Data Plan, Sprint Vision Pack or Blackberry Data Plan is required in addition to the application MRC, Service Pricing Discount will apply to those MRCs only.

2.8 Sprint PCS Connection Card Plans.

MRC	\$40.99** NET OF ALL DISCOUNTS
Data Services in Megabytes ("MB")	Unlimited
Overage per Kilobyte ("KB")	Not Applicable
Monthly Maximum Charge (KBs of usage become unlimited after the maximum during the monthly usage period)	Not Applicable
Voice Calls, including long distance (if card is capable)	\$0.20 per minute

Note: All pricing and available MBs are the same whether Active Units use the Sprint Mobile Broadband (EV-DO) network or the Sprint PCS Vision (1xRTT) network. Sprint Mobile Broadband coverage is not available everywhere and requires a Sprint Mobile Broadband-compatible connection card. Where the Sprint Mobile Broadband network is available and a Sprint Mobile Broadband-compatible connection card is used, Active Units will first attempt to connect to the Sprint Mobile Broadband network, then default to the Sprint PCS Vision network depending on coverage and network availability.

**The Sprint PCS Unlimited Connection Card Plan above is net of all discounts and is not eligible for Service Pricing Discounts.

2.9 SPRINT BLACKBERRY SERVICE PLAN

- A.** Customer's use of the Research in Motion Limited ("RIM") Blackberry service offered by Sprint is subject to acceptance of the RIM terms and conditions presented to Customer before Customer may download the RIM software. The terms and condition for use of the Blackberry service are located at <http://na.blackberry.com/eng/legal/terms.jsp>, and are subject to change without prior notice to Customer.
- B.** Sprint Vision services are not supported on the Blackberry 7750 device.
- C.** Sprint did not manufacture the Blackberry products and is not responsible for any defects or for the acts or omissions of the manufacturer, RIM. The only warranties on Customer's Blackberry products are any limited warranties offered by RIM directly to Customer.
- D.** Monthly Recurring Charges ("MRCs"):

	BlackBerry 10MB Email and Web Plan	BlackBerry Unlimited Email and Web Plan
MRC	\$39.99	\$44.99
Data Services in MBs, BlackBerry Email, Internet or BlackBerry Browsing, Mobile BroadBand ("MBB"), Phone As Modem	10MB allotted for Email, Internet/Browsing, Data Mobile BroadBand and Phone As Modem	Unlimited
Overage per Kilobyte	\$0.001/KB	Not Applicable
Voice Rate	\$0.20 per minute	\$0.20 per minute
Long Distance Rate	Additional \$0.20 per minute	Additional \$0.20 per minute

(1) Voice Minutes with Long Distance are \$0.40/per minute.

(2) Additional charges apply for messaging service.



E. BlackBerry Enterprise Server (“BES”) Software and Client Access License (“CAL”) – Electronic Delivery

(1) Table 1

BES Software & Additional CALs	
<u>BES Software</u>	Non Recurring Charge
20 Users BES Software v. 4.1 - Includes 20 CALs	\$3,200
1 User BES Software v. 4.1 - Includes 1 CAL	\$2,299
<u>Additional CALs</u>	Non Recurring Charge
BES CAL - 1 License	\$74
BES CAL - 5 Licenses	\$329
BES CAL - 10 Licenses	\$549
BES CAL - 50 Licenses	\$2,599
BES CAL - 100 Licenses	\$4,799
BES CAL - 500 Licenses	\$22,599
BES CAL - 1,000 Licenses	\$41,499

- (a) BES Software supports Microsoft Exchange, IBM Lotus Domino, and Novell Groupwise.
- (b) BES Software includes CAL(s) equal to the number of supported users.
- (c) BES Software charges do not include server hardware.

(2) Table 2

Small Business Edition (“SBE”)	
<u>BES Software</u>	Non Recurring Charge
SBE BES Software v. 4.1 – Includes 5 CALs; supports up to 15 users	\$749
<u>Additional CALs</u>	Non Recurring Charge
SBE BES CAL - 1 License	\$74
SBE BES CAL - 5 Licenses	\$329
<u>Other</u>	Non Recurring Charge
SBE to Full BES Product Upgrade	\$2,299

- (a) SBE BES Software supports Microsoft Exchange, IBM Lotus Domino, and Novell Groupwise.
- (b) SBE BES Software includes CAL(s) equal to the number of supported users.
- (c) SBE BES Software subject to a 15 user maximum.
- (d) SBE BES Software charges do not include server hardware.

(3) Table 3

BES Secure/Multipurpose Internet Mail Extensions (“S/MIME”) CAL for Microsoft Exchange	Non Recurring Charge
BES S/MIME CAL - 1 License	\$139
BES S/MIME CAL - 5 Licenses	\$639
BES S/MIME CAL - 10 Licenses	\$960
BES S/MIME CAL - 50 Licenses	\$3,999
BES S/MIME CAL - 100 Licenses	\$6,999
BES S/MIME CAL - 500 Licenses	\$27,499
BES S/MIME CAL - 1,000 Licenses	\$39,999

**(4) Table 4**

Version Upgrades	Non Recurring Charge
BES Software 4.1 - Version Upgrade	\$699

(a) Upgrades available for Microsoft Exchange, IBM Lotus Domino, and Novell Groupwise.

- (5) **Technical Support** - Tx0 technical support is included with all new BES Software sales for a period of 60 days after purchase. Technical support does not include handheld or network support and is not available with BES upgrades. Rates for Tx1 to Tx5 technical support are available through your Sprint Account Representative.

2.10 SPRINT WORLDWIDE BLACKBERRY PLAN

- A. Customer's use of the Research in Motion Limited ("RIM") Blackberry service offered by Sprint is subject to acceptance of the RIM terms and conditions presented to Customer before Customer may download the RIM software. The terms and condition for use of the Blackberry service are located at <http://na.blackberry.com/eng/legal/terms.jsp>, and are subject to change without prior notice to Customer.
- B. The BlackBerry 7130e and the BlackBerry 8703 devices may roam on CDMA networks in Canada and Mexico, only. The BlackBerry 8830 device may roam on CDMA networks in Canada and Mexico as well as GSM/GPRS International Roaming networks, worldwide.
- C. Sprint did not manufacture the Blackberry products and is not responsible for any defects or for the acts or omissions of the manufacturer, RIM. The only warranties on Customer's Blackberry products are any limited warranties offered by RIM directly to Customer.
- D. The Sprint Worldwide BlackBerry Plan gives Customers wireless data roaming access with CDMA technology in certain coverage areas of Canada and Mexico. Wireless high speed coverage is not available everywhere and requires a international roaming capable BlackBerry device. See your Sprint account representative or visit www.sprint.com/internationalroaming for current coverage areas and applicable wireless devices.
- E. The plan is only available to Customer lines domiciled in the United States. A one year agreement is required. BlackBerry Plans can only be activated on a BlackBerry device. Certain services are not available on all Sprint devices. See your account representative or visit www.Sprint.com for more information.
- F. Monthly Recurring Charges ("MRCs"):

	Worldwide BlackBerry Plan
MRC	\$69.99
Data Services in MBs, BlackBerry Email, Internet or BlackBerry Browsing, Mobile BroadBand ("MBB")	Unlimited CDMA and GSM/GPRS International Data Roaming
Overage per Kilobyte	Not Applicable
Phone As Modem	\$15.00
Domestic Voice Rate	\$0.20 per minute
Domestic Long Distance Rate	Additional \$0.25 per minute

Note 1 – Domestic Voice Minutes with Long Distance are \$0.45/per minute.

Note 2 – Additional charges apply for international voice service.

Note 2: Additional charges apply for messaging service.



2.11 SPRINT PCS DATA ACCESS PLANS

- A. Sprint PCS Data Access plans provide simple access to the Sprint PCS® Nationwide Network (using CDMA technology). Customer Premise Equipment (“CPE”), installation, Managed Network Services (“MNS”) and break/fix support are not included. Customer may purchase these Services from Sprint for an additional charge or from another provider acceptable to Sprint in Sprint’s sole discretion. Customers with only Nextel Products and Services are not eligible for Sprint PCS Data Access Plans.

- B. **Charges.** The following charges apply to the plan:

Sprint PCS Data Access Plans	Plan Size (MB)			
	0	5	300	Unlimited
MRC	\$7	\$25	\$75	\$100
Overage per KB	\$0.004	\$0.002	\$0.0005	Not Applicable
Monthly Maximum Charge (KBs of usage become unlimited after the maximum during the monthly usage period)	\$300	\$300	\$300	Not Applicable

- (1) Customer’s monthly charges under the plan are subject to a monthly cap composed of Customer’s MRC and any overage charges incurred by Customer. If Customer’s total monthly charges meet the monthly cap for three consecutive months, Sprint may transfer Customer to another Business Plan.
- (2) Sprint PCS Data Access Plan activations are not eligible for service credits, wireless device discounts, or rebates.

2.12 SPRINT GOOD™ MOBILE MESSAGING SERVICE PLAN

- A. **Table A – Monthly Recurring Charges (“MRCs”).**

	For Devices Capable of Supporting a Metered Plan	Unlimited Plan
MRC	\$39.99	\$49.99
Data Services in MBs	10 MB	Unlimited
Phone As Modem	Included	Included
Overage per Kilobyte	\$0.001/Kb	Not Applicable
Voice Rate per minute	\$0.20 per minute	\$0.20 per minute
Long Distance Rate per minute	Additional \$0.20 per minute	Additional \$0.20 per minute

- (1) MRC includes data access options.
- (2) On the \$39.99 plan, Customer’s Phone as Modem usage counts towards the 10 MBs.
- (3) Text messaging, picture mail, Multi-Media Messaging Service, and Sprint TV not included.
- (4) Voice Minutes with Long Distance are \$0.40/per minute.

- B. **Table B – Non Recurring Charges (“NRCs”).** Sprint Good™ Mobile Messaging requires Customer’s purchase of a Good™ Mobile Messaging Server and Client Access License (“CAL”) pack(s) as follows:

NRCs:	
Good™ Mobile Messaging Server	\$1,500
Single CAL	\$99 per Corporate-Liable Active Unit
5- Pack CAL	\$429
10- Pack CAL	\$699
50- Pack CAL	\$3,299
100- Pack CAL	\$5,999
500- Pack CAL	\$27,499



- (1) As an example, to purchase a 25 pack CAL, Customer will purchase two 10-pack CALs and a 5-pack CAL.
- 2.13 SPRINT PHONE AS MODEM***

MRC	\$39.99	\$49.99
Data Services in Megabytes ("MB")	40MB	Unlimited
Overage per Kilobyte	\$0.001/KB	Not Applicable
Monthly Maximum Charge (KBs of usage become unlimited after the maximum during the monthly usage period)	\$69.99	Not Applicable

- C. *All pricing and available MBs are the same whether Corporate-Liable Active Units use the wireless high speed data network or the Sprint PCS Vision 1xRTT network. This plan is required for customers that want to tether, either via a cable or Bluetooth phone. Shared data is not available. All data usage is used against this plan, including but not limited to web-browsing, downloading, email, etc. SMS Text Messaging must be added as a per-Corporate-Liable Active Unit Attachable. A Sprint PCS Vision plan is not required for each Corporate-Liable Active Unit purchasing this plan. If Sprint detects a Corporate-Liable Active Unit using their phone or device as a modem and that Corporate-Liable Active Unit is not on this plan, Sprint reserves the right to either prevent any further use of the phone or device as a modem use or to move the Corporate-Liable Active Unit to the appropriate plan. If Sprint moves the Corporate-Liable Active Unit to a plan, Customer agrees to be responsible for all charges and use associated with that plan.

2.14 NORTH AMERICA PLUS CONNECTION PLAN

- A. The North America Plus Connection Plan gives Customers wireless data roaming access with CDMA technology in certain coverage areas of Canada and Mexico. Wireless high speed coverage is not available everywhere and requires a wireless high speed data-compatible connection card. See your Sprint account representative or visit www.sprint.com/internationalroaming for current coverage areas and applicable wireless devices. The plan is only available to Customer lines domiciled in the United States. A one year agreement is required.

B. Charges.

North American Connection Card Plan	Monthly Recurring Charge
Unlimited Data Usage	\$109.99

- (1) GSM/GPRS international data roaming will be charged at \$0.010/KB in the following countries:

Belgium, Cyprus, Finland, France, Germany, Greece, Hong Kong, Iceland, Indonesia, Ireland, Liechtenstein, Lithuania, Netherlands, Norway, Poland, Portugal, Saudi Arabia, Singapore, Spain, Switzerland, United Kingdom

Other GSM/GPRS international data roaming countries will be billed at \$0.016/KB.

- (2) All pricing and available MBs are the same whether Corporate-Liable Active Units use the wireless high speed data network or the Sprint PCS Vision 1xRTT network. Where the wireless high speed data network is available and a wireless high speed data-compatible connection card is used, Corporate-Liable Active Units will first attempt to connect to the wireless high speed data network, then default to the Sprint PCS Vision 1xRTT network depending on coverage and network availability.
- (3) Premium Services content not available.
- (4) Sprint Connection Manager Software must be updated before leaving the United States.

2.15 SPRINT MOBILITY MANAGEMENT

- A. **Carriers Supported.** Subject to the limitations set forth in the Sprint Mobility Management Product Annex, the Billing Management and Device Management applications support the following wireless carriers: Cingular (including former AT&T Wireless), Verizon Wireless, Nextel, T-Mobile, Orange, Vodaphone, Deutsch Telecom, Oxygen, and Alltel ("Other Carriers"). This listing of wireless carriers is not exhaustive and may change at any time without notice to Customer. The Sprint Mobility Management multi carrier services are only available on "Multi-Carrier Corporate Liable Units". "Multi-Carrier Corporate Liable Units" include both Sprint Corporate Liable Active Units and any other of Customer's wireless lines with Other Carriers for which Customer is financially responsible.

**B. Monthly Recurring Charges (MRCs)**

Package	MRC Per Corporate-Liable Active Unit	Multi-Carrier Corporate Liable Units Required	Incremental Multi-Carrier Corporate Liable Units
Billing Management: Billing and Asset Management	\$6	Minimum: 250 Multi-Carrier Corporate Liable Units	10 Multi-Carrier Corporate Liable Units Blocks Beyond 250
Device Management: Includes Device and Security Management	\$8	Minimum: 50 Multi-Carrier Corporate Liable Units	10 Multi-Carrier Corporate Liable Units Beyond 50
Mobile Security:	\$8	Minimum: 50 Multi-Carrier Corporate Liable Units	10 Multi-Carrier Corporate Liable Units Beyond 50
Discount off MRC if purchasing two or more Sprint Mobility Management packages	15%	<u>Billing Management</u> Minimum: 250 <u>Device Management</u> Minimum: 50 <u>Mobile Security</u> Minimum: 50	<u>Billing Management:</u> 10 Multi-Carrier Corporate Liable Units beyond 250 <u>Device & Mobile Security:</u> 10 Multi-Carrier Corporate Liable Units beyond 50
Backup and Restore: 100 MB per Device (optional feature to Device Management package**)	\$1.00	Minimum: 10 Corporate Liable Active Units	10 Multi-Carrier Corporate Liable Units Beyond 10

(1) **Must purchase Device Management package. Only for handset memory back up (excludes SD cards).

C. Non-Recurring Charges

Number of Multi-Carrier Corporate Liable Units	One-Time Non-Recurring Charge
0-250	\$2,500
251-1,000	\$5,000
1,000+	\$10,000

D. Sprint Mobility Management Termination Fee. If Customer terminates all of its Sprint Mobility Management Wireless Lines during the Term, then Sprint will charge Customer a \$60 early termination fee for each Wireless Line that terminates Sprint Mobility Management. This early termination fee for Sprint Mobility Management is separate from, and in addition to, any other termination fee that may be applicable under the Agreement.

E. Additional Terms. Customer must comply with the Sprint Mobility Management Product Annex, which is incorporated into this Agreement as posted to www.sprint.com/ratesandconditions as of the date Customer signs the Agreement.

2.16 SPRINT WIRELESS INTEGRATION

A. Required Sprint Products and Services. In order to use Sprint Wireless Integration, Customer must acquire the following Sprint Products and Services, whether through this Agreement or through separate contractual arrangements:

- (1) **Sprint PCS and PowerSource Phones.** Sprint Wireless Integration only operates on Sprint PCS and PowerSource phones that are data capable and 1xRTT (Vision), EV-DO Rev. 0 (Power Vision), or EV-DO Rev. A (Power Vision) capable. Sprint Wireless Integration will not operate on non-Sprint phones or phones activated on the Nextel National Network.
- (2) **Business Plan.** Customer must activate and/or maintain a Sprint PCS voice or PowerSource Business Plan. Sprint Wireless Integration is invoiced as an add-on feature to Customer's Sprint PCS voice or PowerSource Business Plan and Customer will be billed for each Sprint PCS or PowerSource phone activated under the Business Plan. A Sprint data plan or Sprint text messaging plan is not required.



- (3) **Network Connectivity.** Sprint Wireless Integration requires separate transport connectivity between Customer's locations and the Sprint IP Networks and Data Centers. Customer must purchase either Sprint Dedicated Internet Access, which provides native Internet Protocol transport between Customer locations, or Sprint Global MPLS VPN Service, which provides secure wide-area connectivity among Customer sites. With either Sprint Dedicated Internet Access or Sprint Global MPLS VPN Service, Customer also must purchase "class of service" options to help ensure voice quality. Sprint offers these Services under the terms of the respective product annexes as posted at www.sprint.com/ratesandconditions. Pricing for these Services will be set forth in a separate Section of this pricing Attachment.

B. Optional Sprint Products and Services.

- (1) **Managed Network Services.** To help ensure voice quality, Customer may purchase Sprint Managed Network Services for all of Customer's analog and digital gateway devices used with Sprint Wireless Integration. Sprint Managed Network Services provide installation, configuration, maintenance, and monitoring of the Sprint Wireless Integration-enabling equipment and related functions within Customer's LAN. Sprint offers Sprint Managed Network Services under the terms of the Sprint Managed Network Services Product Annex as posted at www.sprint.com/ratesandconditions. If Customer purchases Sprint Managed Network Services, pricing for such Services will be set forth in a separate Section of this pricing Attachment.
- (2) **Enhanced In-Building Coverage.** Customer may need to install enhanced in-building coverage in order for Sprint Wireless Integration to work effectively. Pricing for enhanced in-building coverage will be set forth in a separate agreement with Sprint.

C. Pricing. Sprint Wireless Integration is available for both Corporate-Liable and Individual-Liable Active Units.

(1) **Monthly Recurring Charge ("MRC").**

Package	MRC Per Active Unit
Sprint Wireless Integration	\$19.95

(2) **Discount Applicability.** Customer's Wireless Volume Discount applies to Sprint Wireless Integration.

- D. Minimum Order Term.** The minimum Order Term for Sprint Wireless Integration is 24 months (the "Minimum Order Term") and must be stated in the Order.
- E. Sprint Wireless Integration Commitment Level.** When placing an Order for Sprint Wireless Integration, Customer must indicate in the Order the number of Active Units that Customer will maintain during the Minimum Order Term for Sprint Wireless Integration (the "Wireless Integration Commitment Level").
- F. Minimum Commitment Fee.** If, during any month of the Minimum Order Term, the number of Active Units activated with Sprint Wireless Integration is 80% or less than Customer's Wireless Integration Commitment Level, Sprint may charge Customer the following Sprint Wireless Integration minimum commitment fee (the "Minimum Commitment Fee") for each such month:

$$(.8 \times \text{Active Unit Commitment Level}) \times (\$19.95 \times \text{Customer's Wireless Volume Discount}) = \text{Minimum Commitment Fee}$$

The Minimum Commitment Fee is in addition to the Sprint Wireless Integration MRC set forth above for Active Units activated with Sprint Wireless Integration and any other applicable Business Plan Service usage charges.

- G. Sprint Wireless Integration Commitment Timeline.** When Customer places an Order for Sprint Wireless Integration, Sprint and Customer will agree on (A) an implementation period to enable Sprint to implement Sprint Wireless Integration, and (B) a ramp up period following the implementation period to enable Customer to attain the Wireless Integration Commitment Level. The Minimum Order Term will commence after the expiration of the ramp up period.
- H. Additional Terms.** Customer must comply with the Sprint Wireless Integration Product Annex, which is incorporated into this Agreement as posted to www.sprint.com/ratesandconditions as of the date Customer signs the Agreement.

2.17 SPRINT PCS OPTIGO ENTERPRISE OPTIMIZER SOFTWARE

- A. License and Maintenance Fees.** Sprint PCS Optigo Enterprise Optimizer Software is sold on a per-Corporate-Liable Active Unit basis in the following plan options. Customer can choose to add the software to new or existing Corporate-Liable Active Units, as well as Sprint Dial IP service. Customer must comply with the Sprint PCS Optigo Enterprise Optimizer Product Annex, which is incorporated into this Agreement as posted to www.sprint.com/ratesandconditions as of the date Customer signs the Agreement.



Plans	MRC Per Corporate-Liable Active Unit	Corporate-Liable Active Units Required	Early Termination Fee Per Corporate-Liable Active Unit
Basic Pilot Plan	\$7	Minimum: 20 Corporate-Liable Active Units	\$70
Basic Pilot 100 Plan	\$7	Minimum: 100 Corporate-Liable Active Units	\$70
Basic Minimum Purchase Plan	\$7	Minimum: 300 Corporate-Liable Active Units	\$70
Basic Additional Purchase Plan	\$7	Minimum: 20 Corporate-Liable Active Units	\$70
Basic Pilot Plan + File Sharing Module Plan	\$10	Minimum: 20 Corporate-Liable Active Units	\$100
Basic Pilot 100 Plan + File Sharing Module Plan	\$10	Minimum: 100 Corporate-Liable Active Units	\$100
Basic Pilot Plan + File Sharing Module Minimum Purchase Plan	\$10	Minimum: 300 Corporate-Liable Active Units	\$100
Basic Pilot Plan + File Sharing Module Additional Purchase Plan	\$10	Minimum: 20 Corporate-Liable Active Units	\$100

- B. Software Pilot.** Sprint will not charge Customer for the Sprint PCS Optigo Enterprise Optimizer Software for Customer's first 30 days of usage beginning on the date Customer accepts the software ("Software Pilot"). The Software Pilot extends only to new services activated and does not apply to existing Sprint Services that Customer had from Sprint prior to activating Sprint PCS Optigo Enterprise Optimizer Software. Customer may opt out of the Software Pilot at any time for convenience with prior written notice to Sprint before the end of the Software Pilot period without further financial obligation to Sprint for Sprint PCS Optigo Enterprise Optimizer Software.

2.18 SPRINT PCS DATA LINK FOR MOBILE ACCESS

A. Monthly Recurring Charges

(1) Sprint PCS Connection Cards for Sprint PCS Data Link for Mobile Access

MRC	\$39.99	\$79.99
Data Services in Megabytes ("MB")	40MB	Unlimited
Overage Per Kilobyte	\$0.001/KB	Not Applicable
Monthly Maximum Charge (KBs of usage become unlimited after the maximum during the monthly usage period)	\$99.99	Not Applicable
Voice Calls, Including Long Distance (if card is capable)	\$0.20 Per Minute	\$0.20 Per Minute

- (a) **Note 1** -- All pricing and available MBs are the same whether Corporate-Liable Active Units use the wireless high speed data network or the Sprint PCS Vision 1xRTT network. Wireless high speed data coverage is not available everywhere and requires a wireless high speed data-compatible connection card. Where the wireless high speed data network is available and a wireless high speed data-compatible connection card is used, Corporate-Liable Active Unit will first attempt to connect to the wireless high speed data network, then default to the Sprint PCS Vision 1xRTT network depending on coverage and network availability.



- (2) **IP Addresses.** Customer must select between Sprint-provided static or dynamic IP address blocks, or Customer may provide its own IP Addresses. Sprint will charge Customer the MRCs listed in the table below for static IP addresses. Sprint will not charge Customer MRCs for Sprint-provided dynamic IP addresses or Customer-provided IP addresses.

(a) **Sprint-provided Static IP Addresses**

MRC	Useable Static IP Address Blocks
\$ 42.00	14
\$ 90.00	30
\$ 186.00	62
\$ 378.00	126
\$ 762.00	254
\$1,524.00	508
\$3,060.00	1020

(b) **Sprint-provided Dynamic IP Addresses**

MRC	Useable Dynamic IP Address Blocks
None	14
None	30
None	62
None	126
None	254
None	508
None	1020

- B. **Non-Recurring Charges.** Sprint will charge Customer \$250.00 as a non-recurring charge for setup costs. These non-recurring charges apply to both Sprint-provided and Customer-provided IP addresses.

C. **Wireline Component**

- (1) Sprint PCS Data Link for Mobile Access requires a dedicated connection between the Nationwide Sprint PCS Network and Customer's wireline network. Customer must have wireline services via MPLS VPN, IP VPN, or SprintLink Frame Relay under a separate agreement with Sprint or another provider acceptable to Sprint, as Sprint decides in its sole discretion.

- (2) Customer selects one of the following wireline implementation options for Sprint PCS Data Link for Mobile Access (must select one):

_____ **Option 1 - Sprint PCS Data Link for Mobile Access via IP VPN**

_____ **Option 2 - Sprint PCS Data Link for Mobile Access via SprintLink Frame Relay**

_____ **Option 3 - Sprint PCS Data Link for Mobile Access via MPLS VPN**

- D. **Additional Terms.** Customer must comply with the Sprint PCS Data Link for Mobile Access Product Annex, which is incorporated into this Agreement as posted to www.sprint.com/ratesandconditions as of the date Customer signs the Agreement.



2.19 SPRINT PCS DATA LINK – WIRELESS WAN

- A. **Monthly Recurring Charges.** Sprint will charge Customer the MRCs listed in the following table depending on whether Customer uses Sprint PCS Data Link – Wireless WAN Primary Plan or Backup Plan.

Primary Plans	Plan Size (MB)		
	5	300	Unlimited
MRC	\$50	\$100	\$150
Overage per KB	\$0.002	\$0.0005	Not Applicable
Monthly Maximum Charge (KBs of usage become unlimited after the maximum during the monthly usage period)	\$300	\$300	Not Applicable

Backup Plan	Plan Size (MB)
	5
MRC	\$19
Overage per KB	\$0.001

- (1) Customer's monthly charges under the Primary Plans are subject to a monthly cap composed of Customer's MRC and any overage charges incurred by Customer. If Customer's total monthly charges meet the monthly cap for three consecutive months, Sprint may transfer Customer to another Business Plan
- (2) **Note 2:** Sprint PCS Data Link Wireless WAN activations are not eligible for service credits, wireless device discounts, or rebates.
- B. **Non-Recurring Charges.** Sprint will charge Customer \$150.00 NRC per wireless device for installation costs.
- C. **Wireline Component**
- (1) Sprint PCS Data Link - Wireless WAN requires a dedicated connection between the Nationwide Sprint PCS® Network and Customer's wireline network. Customer must have wireline services via MPLS VPN, IP VPN or SprintLink Frame Relay under a separate agreement with Sprint or another provider acceptable to Sprint, in Sprint's sole discretion.
- (2) Customer selects one of the following wireline implementation options for Sprint PCS Data Link – Wireless WAN (must select one):
- _____ **Option 1 - Sprint PCS Data Link – Wireless WAN via IP VPN**
- _____ **Option 2 - Sprint PCS Data Link - Wireless WAN via SprintLink Frame Relay**
- _____ **Option 3 - Sprint PCS Data Link – Wireless WAN via MPLS VPN**
- D. **Additional Terms.** Customer must comply with the Sprint PCS Data Link – Wireless WAN Product Annex, which is incorporated into this Agreement as posted to www.sprint.com/ratesandconditions as of the date Customer signs the Agreement.

3. ELECTRONIC BILLING PRODUCTS.

- 3.1 The following electronic billing products are offered for customers desiring electronic invoice data. Each electronic billing product provides Customer-Liable Active Unit call detail record ("CDR") information. **Sprint offers these products under the "Electronic Invoice Reporting and Analytics Product Annex" which is available for review at www.sprint.com/ratesandconditions and can be attached to this Agreement at Customer's request.** The MRCs are as follows:



ELECTRONIC BILLING PRODUCTS	Invoice Data	Summary Data	MRC	One-time Set-up Fee
eBilling & Analysis	3 months	12 months	\$35.00	\$200.00
Electronic Bill Transfer (EBT)	2 months	N/A	Not Applicable	Not Applicable
Electronic Data Interchange (EDI)	1 month	N/A	Not Applicable	Not Applicable

- 3.2** Customer may choose 1 electronic billing product, or eBilling & Analysis and either EDI or EBT. Customer may not choose the EDI and EBT products together. Upon 30 days prior written notice, Sprint reserves the right to migrate Customer to an updated or successor version of the selected electronic billing product if available or to an entirely new electronic billing product.
- 3.3** Customer will receive a summary invoice (without CDR information) or a remittance invoice at no additional charge. If Customer chooses to receive a detailed paper invoice along with an electronic billing product, the following MRCs will apply.

Customer-Liable Active Units	MRC
5-500	\$ 100.00
500+	\$ 250.00

4. Wireless Priority Service is available with three flavors of pricing:
1. WPS is bundled into the Government Total Rewards Pricing Plans. Usage charge is \$0.75 per minute. **(iDen and Powersource are the only devices that can subscribe to the GTR Plans)**
 2. WPS is available as an add on to the Public Safety Value Package for an additional \$1.00 MRC. Usage charge is \$0.75 per minute. **(iDen and Powersource only)**
 3. A la carte pricing: \$4.50 MRC with a usage charge is \$0.75 per minute. **(iDEN, Powersource and CDMA)**
 4. WPS is bundled into the Federal Law Enforcement Rate Plans. Usage charge is \$0.75 per minute. **(iDEN, Powersource and CDMA)**

Wireless Priority Service minutes used are NOT deducted from your customer's rate plan.



Exhibit D Approved Hardware

1. WIRELESS DEVICE PURCHASE DISCOUNTS AND UPGRADE TERMS.

- 1.1 **Wireless Device Purchase Discount.** New Customer-Liable Active Units are eligible for a minimum 39% discount off the "one year net price," defined as the suggested retail price less \$75.00. The devices offered with this discounted price may change at any time in Sprint's sole discretion. This discounted device offer may not be available in all sales channels.
- 1.2 **Upgrade Terms.** Existing Customer-Liable Active Units may be upgraded or replaced after 12 months of continuous service at the discounted device price identified in Section 4.1 above. Otherwise, the suggested retail price will apply.

2. **NEXTEL ACCESSORY DISCOUNTS.** Customer-Liable Active Units will receive a 20% promotional discount off the national retail price for Nextel accessories. Customer may choose any limited-time promotional discounts available at the time of purchase (after meeting eligibility requirements) instead of the standard promotional discount for the purchase of Nextel accessories.